Alberta Education

Annual Report
2004/05

Alberta

2005
Alberta Centennial

Extracts from this report are available
on Alberta Education's website at
www.education.gov.ab.ca/annualreport/

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2. Preface

Public Accounts 2004/05

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the Annual Report of the Government of Alberta and the annual reports of each of the 24 Ministries.

The Annual Report of the Government of Alberta, released June 29, 2005, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to the desired results set out in the government's business plan, including the *Measuring Up* report.

This Annual Report of the Ministry of Education contains the Minister's accountability statement, the audited consolidated financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Annual Report includes information from the Alberta Learning Business Plan 2004-2007 for which Alberta Education has responsibility. Alberta Advanced Education's Annual Report provides other information on that business plan (see Government Organization Changes 2004-2005 in section 9). The Alberta Education Annual Report also includes:

- **the financial statements of entities making up the Ministry including the Department of Education and the Alberta School Foundation Fund for which the Minister is responsible,**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report, and**

- **financial information relating to accountable organizations and trust funds, which includes the Alberta Teachers' Retirement Fund and school jurisdictions in the public education system (public, separate and francophone school boards and charter schools).**

3. Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2005 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 9, 2005, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Gene Zwozdesky

Gene Zwozdesky
Minister of Education
Deputy Government House Leader

4. Minister's Message

As Minister of Education, I am pleased to present Alberta Education's 2004/05 Annual Report. As we commemorate our province's Centennial, it makes me even more aware of the value of taking time to reflect on the past for guidance and encouragement as we plan for the future. Reviewing our last one hundred years offers us the opportunity to collectively celebrate milestones, illuminate challenges, and renew our commitment to creating the best education system in the world.

In this Annual Report, strategies to provide leadership and support to the Kindergarten to Grade 12 education system are reflected in the accomplishments for the past year. The report also provides an assessment of our success and progress toward reaching our common goals.

On the following pages, you will find updates on initiatives that respond to Alberta's Commission on Learning recommendations. This includes investments to hire more teachers, reduce class sizes, and expand efforts to support our Aboriginal students and students with special needs. These and other initiatives aim to ensure that every child learns and every child succeeds.

Addressing students' needs also means keeping abreast of the changing demands of society and the workplace. The Ministry is preparing students for the global community through endeavours such as the expansion and enhancement of second language instruction resources. Work to update and refresh curriculum on an on-going basis, which won a Premier's Award of Excellence, ensures that course content is kept current and on the cutting edge. In addition, the effective use of video-conferencing in schools throughout the province is an example of how technology is influencing and advancing education delivery.

The Ministry continues to work together with its stakeholders to strengthen our education system, and this has enabled Alberta's students to continue to shine. Once again, the latest national and international student assessments ranked Alberta students at the top in Canada and among the best in the world. This high level of achievement continues to capture the attention of those beyond our provincial borders. This year, we welcomed many international delegations wishing to learn from the success of Alberta's education system.

Thanks to our growing investment in students through a Renewed Funding Framework, our wide range of educational programs and choices, and our system of accountability at every level, Alberta is recognized as one of the best education systems in the world.

This Centennial year, as we celebrate our past accomplishments and look toward the future with renewed enthusiasm, I am confident we are firmly on the path of "leading in learning!"

Gene Zwozdesky

Gene Zwozdesky
Minister of Education
Deputy Government House Leader

5. Management's Responsibility for Reporting

The Ministry of Education includes:

- the Alberta School Foundation Fund
- the Department of Education

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Education. Under the direction of the Minister, I oversee the preparation of the Ministry's Annual Report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations and properly recorded so as to maintain accountability of public money,
- provide information to manage and report on performance,
- safeguard the assets and properties of the Province under Ministry administration,
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Education any information needed to fulfill their responsibilities, and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act.*

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

Keray Henke
Deputy Minister
Alberta Education

6. Overview

Introduction

In 2004/05, Alberta Education continued to build on its strong foundation to provide the best possible Kindergarten to Grade 12 education for Alberta students.

Alberta Education's vision, mission, principles and values define the Ministry. Together, the Ministry's vision and mission present Alberta's view of the future for education and how it will be realized. The principles identify the Ministry's approach to conducting its business, and the values demonstrate the beliefs or traits that guide Ministry actions.

In 2004/05, following the creation of the Ministries of Education and Advanced Education from the former Ministry of Learning, Education's vision was reframed to focus on the new Ministry's responsibilities for the Kindergarten to Grade 12 (K-12) education system. The mission, principles and values were re-confirmed, while the descriptions of the principles were reframed in terms of the K-12 education system.

Vision:

The best Kindergarten to Grade 12 education system in the world.

Mission:

The Ministry of Education, through its leadership and work with stakeholders, ensures that learners are prepared for lifelong learning, work and citizenship so they are able to contribute to a democratic, knowledge-based and prosperous society.

Principles:

Learner Centred – The highest priority of the education system is the success of the student.
Accessible – Every student in Alberta has the right of access to a quality basic education consistent with the student's needs and abilities.
Collaborative – Kindergarten to Grade 12 education, which provides the foundation for lifelong learning, best occurs when partners and stakeholders work together to provide a holistic approach and a supportive environment.
Accountable – All those involved in the education system are accountable to Albertans for quality results, system sustainability and fiscal responsibility.
Responsive – The education system is flexible, anticipates learner needs and provides opportunities for parent and student choice.
Innovative – The education system demonstrates leading edge innovation for improved results.
Equitable – All students have equitable access to quality learning opportunities.

Values: Respect, Integrity, Trust, Openness and Caring.

The Ministry continues to play a key role in promoting Cross-Ministry Initiatives. These are priorities established by the provincial government each year that transcend the mandate of individual ministries. Alberta Education contributed to three of government's priority policy initiatives:

- Aboriginal Policy Initiative,
- Alberta Children and Youth Initiative (ACYI),
- Health Renewal and Wellness Initiative.

The Ministry also contributed to the key administrative priorities:

- Alberta Corporate Service Centre (ACSC),
- Shared Services Delivery Improvement Strategy,
- Corporate Human Resource Development Strategy,
- Information and Communication Technology Initiative,
- Service Alberta Initiative.

During 2004/05 Alberta Education co-led the ACYI and contributed to the development of the Leading in Learning and Skilled Workforce Initiative, new in 2005/06.

The following core businesses were established and aligned with the reframed Business Plan goals:

- Support High Quality Learning Opportunities in the Education System – Goal 1: High Quality Learning Opportunities for All
- Support Learners to Achieve Excellent Learning Outcomes – Goal 2: Excellence in Learner Outcomes
- Support the Continuous Improvement of the Ministry and Education System – Goal 3: Highly Responsive and Responsible Ministry.

Alberta Education maintained its focus on outcomes and achieving results in 2004/05 with the implementation of the Renewed Funding Framework. The framework has three pillars: Funding, Flexibility and Accountability. The new Funding Pillar distributes funding equitably and gives school jurisdictions maximum flexibility to allocate funds to meet student needs. In return, the Accountability Pillar places increased emphasis on achieving results, which involves an expanded set of measures to assess jurisdiction performance over time. These measures have been included in the Ministry Business Plan for 2005 - 2008 and are introduced in this Annual Report. In addition, two outcomes were added to Goal 1:

- Children at risk have their needs addressed through effective programs and supports.
- Schools are safe and caring.

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Highlights: Performance at a Glance

Ministry performance on core measures is compared to results for the base year, which is over five years, or for new measures, the first year data are available. Results for 2004/05 are summarized below and presented in more detail in the Results Analysis (pages 16-40). Targets are considered met if the result is within 95% of the target value, except for provincial achievement tests, whose targets are considered met if the result is within 0.4% of the target. "New" in brackets after a measure refers to new measures in Education's 2005 - 2008 business plan, unless specified for 2004/05. The confidence interval is taken into account in assessing change over time on survey measures (see Endnotes A and B on pages 48-52 for a more detailed explanation of target assessment and use of confidence intervals).

Outcomes	Core Measures Results
Goal One: High Quality Learning Opportunities for All	
The education system meets the needs of all learners, society and the economy.	√ Public satisfaction with the overall quality of basic education remained consistent at 72%. = 84% of high school students, parents, teachers, school board members and the public remained satisfied with the overall quality of K-12 education (new).* = 83% of students, parents, teachers, school board members and the public were satisfied that students are receiving a solid grounding in language arts, mathematics, science and social studies (new).* = 78% of students, parents, teachers, and school board members continued to be satisfied with the opportunity of students to receive a broad program of studies (new).* √ The employment rate for Albertans aged 25-34 whose highest level of education is high school completion was 81% and has been consistent over time.
Children at risk have their needs addressed through effective programs and supports.	↑ The dropout rate of students aged 14-18 decreased to 5.3% (new).*
Schools are safe and caring.	= 92% of students, parents, teachers and school board members agreed that students are safe at school, are learning the importance of caring for others, are learning respect for others and are treated fairly by adults at school (new).*
Goal Two: Excellence in Learner Outcomes	
Learners demonstrate high standards.	↓ Overall achievement test results for all students in grades 3, 6 and 9 declined slightly between 2003/04 and 2004/05 to 77% at the acceptable level. = Achievement test results remained stable for writers at 86% at the acceptable level and 21.8% at the excellence level, and for all students at the excellence level (19.5%). ↑ Students met provincial expectations in more diploma examinations in 2004/05 than in 2003/04. ↑ The percentage of Grade 12 students eligible for a Rutherford Scholarship has risen gradually each year, reaching 34% (new).*
Learners complete programs.	√ The high school completion rate within five years of entering Grade 10 has risen to 75%. √ High school completion of Alberta 25-34 year-olds remained high at 90%.
Learners are well prepared for lifelong learning.	↑ The percentage of students who participated in Early Childhood Services programs prior to Grade 1 increased slightly to 96%.** ↑ The percentage of Alberta's high school students who have enrolled in a post-secondary program within six years of entering Grade 10 has risen slightly over time to 54% (new for 2004/05).*
Learners are well prepared for employment.	= 86% of employers continued to be satisfied with the skills and quality of work of high school graduates (restated to focus solely on the K-12 system).* = 69% of parents, teachers and the public agreed that students are taught attitudes and behaviours that will make them successful at work when they finish school (new).*
Learners are well prepared for citizenship.	√ Public satisfaction that high school students are well prepared for citizenship has risen to 60%. = 83% of parents, teachers and high school students continued to be satisfied that students model the characteristics of active citizenship (new).*
Goal Three: Highly Responsive and Responsible Ministry	
Improved results through effective working relationships with partners and stakeholders.	N 84% of cross-ministry partners and education system stakeholders agreed that Alberta Education staff are collaborative (reframed to reflect the new Ministry of Education).* = 84% of parents, teachers and school board members were satisfied with parental involvement in decisions about their child's education (new).*
The Ministry demonstrates leadership and continuous improvement.	N 82% of cross-ministry partners and education system stakeholders agreed that Alberta Education staff are responsive and flexible (reframed to reflect the new Ministry of Education).* N 60% of stakeholders, parents, teachers and school board trustees were satisfied that the leadership at the provincial level effectively supports and facilitates teaching and learning (new).* N 66% of parents, teachers and school board trustees indicated that the Alberta K-12 education system has improved or stayed the same in the last three years (new).*

Target Met: √ **When Target Not Met or No Target:** Improved results: ↑ Performance decline: ↓ No change: =
No prior data for this measure: N **No target set for 2004/05:** * **Proxy measure, no target set:** **

Key Accomplishments

Goal 1: High Quality Learning Opportunities for All

- Developed implementation plans for 81% and initiated work on 73% of the Year 1 Alberta Commission on Learning (ACOL) recommendations. Undertook 91% of consultations required to support these implementation plans.
- Enabled school jurisdictions to hire approximately 1,250 new teachers, which reduced average class sizes at all grade levels: from 21.7 to 19.3 at K-3, from 23.8 to 21.7 at grades 4-6, from 24.9 to 23 at grades 7-9 and from 25 to 24 at grades 10-12.
- Consulted with stakeholders in the review of four regulations: *Home Education*, *Private School*, *School Councils* and *Student Record*, and prepared a discussion paper on a new regulation for francophone school authorities.
- Implemented the *Standards for Special Education, Amended June 2004* in school jurisdictions across Alberta, and completed 10 Special Education Programming Standard Reviews to ensure compliance with the new standards.
- Held the fourth annual Alberta Initiative for School Improvement (AISI) Conference, which highlighted ways to integrate effective school improvement practices and strategies into new AISI projects.
- Revised and improved the AISI Clearinghouse for sharing project information and promising practices.
- Developed a Daily Physical Activity (DPA) discussion paper and shared it with key stakeholders for response.
- Developed a new Program of Studies for French as a Second Language for Grades 4-12.
- Completed the Draft of Social Studies 10-1 and 10-2 Programs of Study in English and French and prepared Consultation Draft of Grades 11 and 12 Social Studies Programs of Study in English and French.
- Implemented the new Science 10 program in September 2004 and completed draft Biology 20-30, Chemistry 20-30 and Physics 20-30 Programs of Study.
- Authorized student and teacher resources for Grade 4 Chinese, German, Italian, Japanese, Spanish and Ukrainian for the Second Languages Initiative.
- Received a Premier's Award of Excellence for on-going work in the area of curriculum development: Ensuring World Class Curriculum for Alberta Students.
- Created a charter to guide the development of the Learner Pathways Initiative in partnership with Human Resources and Employment and Advanced Education, which is intended to facilitate student transition from school to satisfying work.
- Released the *Learning and Technology Policy Framework*, which provides direction for the infusion of technology across Alberta's education system. Developed with extensive stakeholder input, the Policy Framework ensures that technology integration effectively supports learning system objectives and benefits learners. The 2004/05 accomplishments included:
  - investing nearly $6 million in the implementation of video-conferencing in the K-12 education system across the province, supporting administrative, professional development and teaching activities and providing greater access to educational opportunities for rural and remote communities;
  - forging a groundbreaking province-wide agreement with Microsoft Canada, which makes Microsoft Office software available at no cost to school boards and post-secondary institutions, and which will realize substantial savings for the education system;
  - creating the LearnAlberta.ca Content Delivery Network to enable all Alberta schools to readily retrieve videos, which are part of the site's collection of 3000 digital resources; and
  - facilitating applied research into emerging technologies through collaborative projects funded by the Ministry.

Goal 2: Excellence in Learner Outcomes

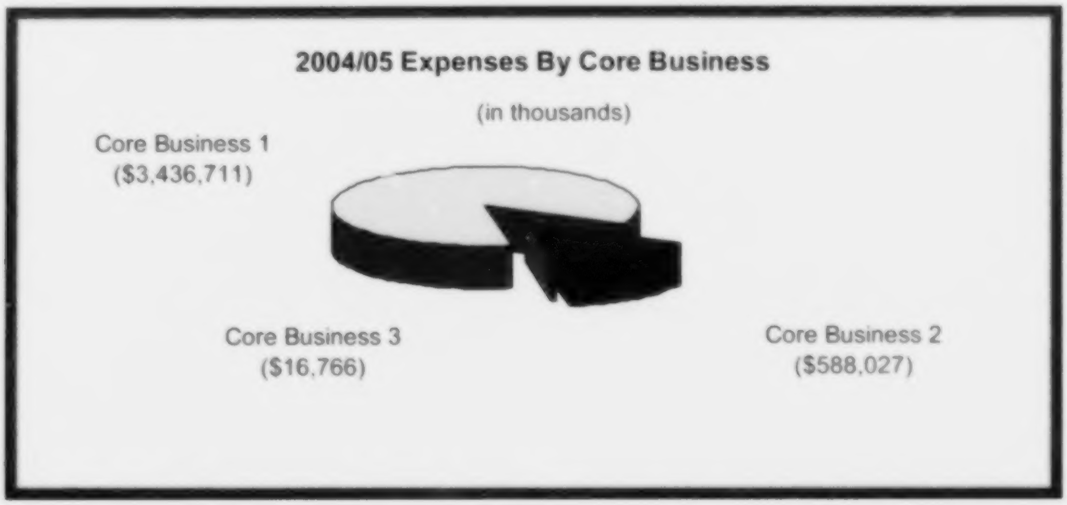
- Results for Alberta students for the 2003 Programme for International Student Assessment (PISA) were significantly higher than overall national or international results in reading, science, problem solving and mathematics.
- Alberta had the highest percentage of 13- and 16-year-old students in Canada achieving higher than expected standards of knowledge and skills in science on the 2004 School Achievement Indicators Program (SAIP) science assessment.
- Expanded the number of diploma examinations with directly comparable results within and across years, from two (Social Studies 30 and 33, which were equated in January 2004) to five, by implementing the equating process in the Pure Mathematics, Chemistry and Physics diploma examinations.
- Expanded field validation of the tests for the Grade 9 Integrated Occupational Program (IOP) by making field testing available to all schools providing instruction to students using the new program.
- Established a task force and consulted with stakeholders on improving high school completion rates.
- Piloted the First Nations, Métis, and Inuit (FNMI) School-Community Learning Environment Project in 16 school jurisdictions.
- Developed the Cree Language and Culture Program of Studies and authorized textbooks for Aboriginal Studies 10 and 20.
- Made progress in connecting the Alberta SuperNet to First Nations communities across the province, including securing approvals for access to and construction on First Nations land, band council resolutions for SuperNet service for 44 First Nations communities and providing LearnAlberta.ca to First Nations students, parents and teachers.

- Provided support for the Sunchild E-Learning community, which offers online learning to Aboriginal communities to help improve high school completion rates.
- Signed a Memorandum of Understanding - Alberta-British Columbia Protocol for a Partnership in Support of Assistive Technology for Students with Special Needs.
- Developed a draft resource on identification and assessment of students with special needs, explored assistive technology services and examined school completion recognition for students with special needs in response to the Special Education Review.
- Completed a pilot to assess the usefulness of Grade Level Achievement (GLA) data at the classroom, school, jurisdictional, and provincial levels, providing the basis for a phased-in, province-wide implementation of GLA reporting.

Goal 3: Highly Responsive and Responsible Ministry

- Implemented all three pillars of the K-12 Renewed Funding Framework: Funding, Flexibility and Accountability.
- Developed and implemented online Accountability Pillar surveys of students and teachers, replacing the paper and pencil surveys, and reducing the administrative effort of schools, school jurisdictions and the Ministry. In the first year, 86% of schools participated in the surveys online.
- As a result of the Renewed Funding Framework, which allocated increased funding for Aboriginal students, and work with Indian and Northern Affairs Canada, the federal government has launched a review of funding for band schools.
- Included Aboriginal self-identification question on all school registrations.
- Developed the methodology for jurisdiction-level high school to post-secondary transition rates and provided multi-year rates to school jurisdictions.
- Led the Phase 2 Mathematics Revision Project as part of the Western and Northern Canadian Protocol.
- Provided Alberta Infrastructure and Transportation with the student programming implications associated with the 23 new school construction and modernization proposals.
- Implemented a new funding distribution model for the Student Health Initiative (SHI) that was developed with ministry partners and representatives of the partnerships.
- Continued the development of action plans for the three pilot sites for the Aboriginal Suicide Prevention Strategy.
- Worked with Children's Services and the Alberta Alcohol and Drug Abuse Commission (AADAC) to form a youth prevention and awareness campaign targeted to children 12-17 years old.
- Worked with Children's Services, AADAC and the Solicitor General to plan the Methamphetamine Summit.
- Collaborated with cross-ministry partners to develop a funding distribution model for Children and Youth with Complex Needs, which was approved in October 2004.
- Worked with education partners to implement the activities for government-accepted recommendations from the *School Councils – Next Steps Report* (1999). Conducted a study of school council effectiveness, and provided the results of the study to school councils, school principals, superintendents and school board chairs.
- Implemented the new Teacher Registry System (TRS) and Teaching Authority Validation (TAV) to improve electronic reporting of employment data and recommendations for interim professional certifications from Alberta teacher preparation institutions.
- Implemented Canada's first direct on-line application form (in both official languages) for teacher certification through Alberta Education's secure website.
- Developed and implemented a web-based class size reporting tool, which was used by all school jurisdictions.
- Conducted business operational reviews for all charter schools and for 16 private schools.
- Implemented the International Education Strategy, including:
  - explored an agreement with China's Ministry of Education to establish Alberta-accredited schools in China and further education initiatives on language and culture in both learning systems;
  - developed an *Accreditation of Out-of-Province Schools Operational Manual* and accompanying *Accreditation of Out-of-Province Schools Student Information System User Guide.*
- Initiated memoranda of understanding with Australia, British Columbia, Ontario and New Brunswick to collaborate on co-development of digital content.
- Conducted a usability study of the Council of Ministers of Education, Canada (CMEC) Pan-Canadian Learning Portal.
- Represented Canada on behalf of CMEC on the governing board of the Centre for Education Research and Innovation as part of the Organization for Economic Cooperation and Development (OECD).
- Developed a long-range implementation plan for the *CMEC Francisation Tool Kit* across Alberta in collaboration with francophone school authorities.
- A high percentage (84%) of Ministry employees surveyed reported satisfaction with their work, compared to 79% for Government of Alberta employees overall.

Financial Highlights



2004/05 Expenses By Core Business

(in thousands)

Operating Expense by Core Business	(In thousands)				
	2004/05				2003/04
	Original Budget	Adjustments (a)	Authorized Budget	Actuals	Actuals
Core Business 1 - Support High Quality Learning Opportunities in the Education System	$ 3,333,338	$ (5,964)	$ 3,327,374	$ 3,436,711	$ 3,209,665

Goal 1 – High Quality Learning Opportunities for All

Outcomes:

- The education system meets the need of all learners, society and the economy.
- Children at risk have their needs addressed through effective programs and supports.
- Schools are safe and caring.

Core Business 2 - Support Learners to Achieve Excellent Learning Outcomes	597,401	64,800	662,201	588,027	541,496

Goal 2 – Excellence in Learner Outcomes

Outcomes:

- Learners demonstrate high standards.
- Learners complete programs.
- Learners are well prepared for lifelong learning.
- Learners are well prepared for employment.
- Learners are well prepared for citizenship.

Core Business 3 - Support the Continuous Improvement of the Ministry and Education System	16,439	30	16,469	16,766	16,067

Goal 3 – Highly Responsive and Responsible Ministry

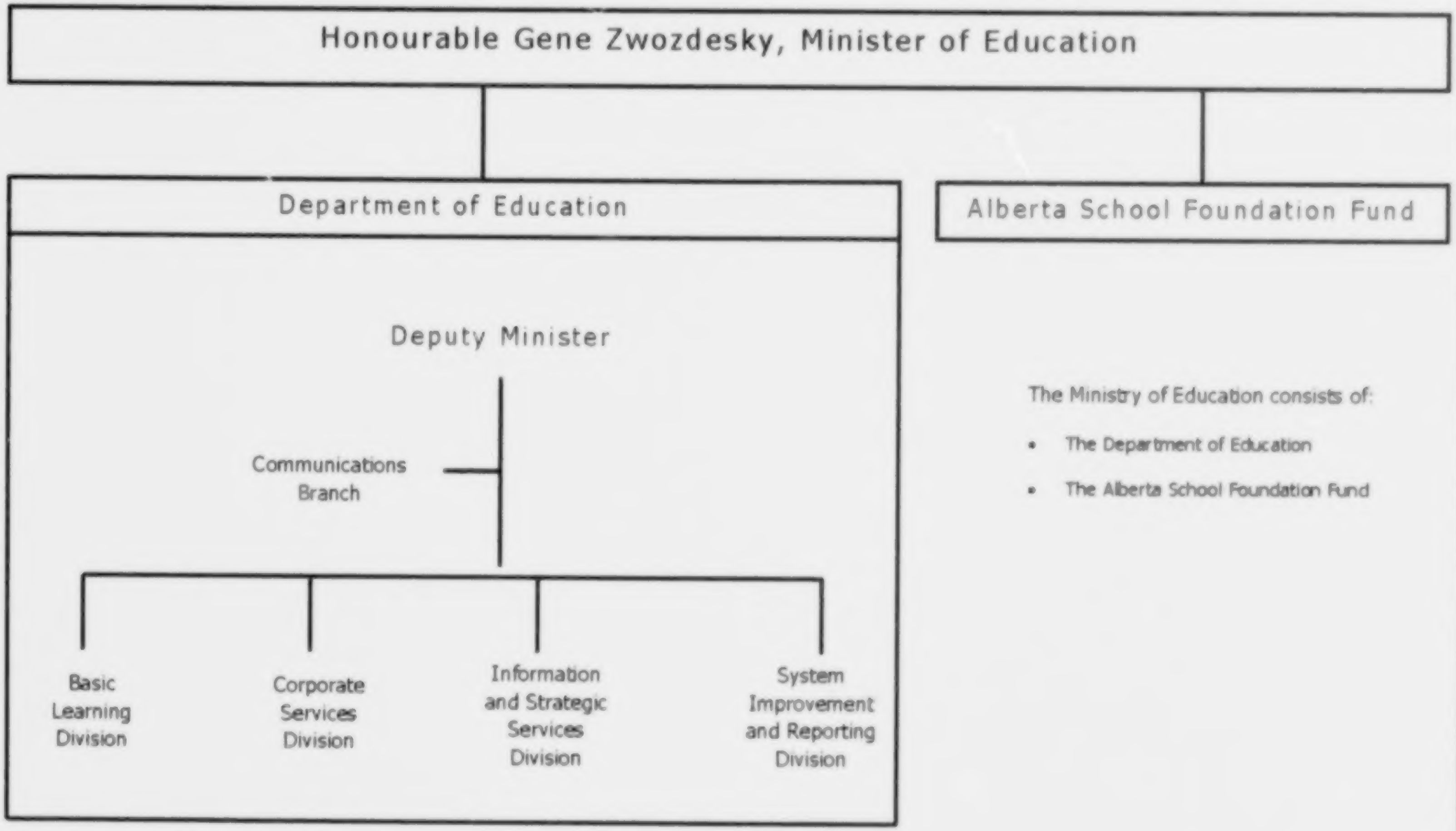
Outcomes:

- Improved results through effective working relationships with partners and stakeholders.
- The Ministry demonstrates leadership and continuous improvement.

Total Ministry Expense	$ 3,947,178	$ 58,866	$ 4,006,044	$ 4,041,504	$ 3,767,228

(a) Adjustments include any dedicated revenue shortfalls and Supplementary Estimates for additional in-year funding.

Ministry of Education Structure


Honourable Gene Zwozdesky, Minister of Education
Department of Education
Alberta School Foundation Fund
Deputy Minister
Communications Branch
Basic Learning Division
Corporate Services Division
Information and Strategic Services Division
System Improvement and Reporting Division

The Ministry of Education consists of:

- The Department of Education
- The Alberta School Foundation Fund

perational Overview: Ministry of Education

The Ministry of Education is comprised of two entities: the Alberta School Foundation Fund and the Department of Education.

ALBERTA SCHOOL FOUNDATION FUND

The Alberta School Foundation Fund receives tax revenues from municipalities based on:

- the equalized assessment of real property in Alberta; and
- education mill rates established by the Lieutenant Governor in Council.

These monies, along with those from provincial General Revenues, are allocated on a fair and equitable basis to school boards.
Phone: 780-427-2051. For toll-free access in Alberta, first dial 310-0000.

DEPARTMENT OF EDUCATION

Students are the central focus of the Ministry. Each year, about 590,000 Albertans, from preschoolers to young adults, enroll in the K-12 education system. Leading a basic education system that addresses the varied learning needs of students throughout the province, the Ministry ensures that students receive a strong foundation of knowledge and skills to prepare them for lifelong learning, citizenship and work.
Phone: (780) 427-7219

Department Division Descriptions

To carry out its functions, the Department of Education is organized into four divisions, as described below.

Basic Learning Division works with the province's school authorities and early childhood services (ECS) operators to support children and students up to Grade 12. This includes programs for preschool and school-age children. The division:

- develops and revises K-12 programs of study (in English and French) to ensure they are relevant and responsive in meeting the learning needs of children and students;
- selects and develops learning and teaching resources (in English and French) to support effective and efficient classroom instruction;
- ensures that Alberta's teachers are certificated and equipped with the knowledge, skills and attributes needed to support K-12 learners in meeting standards set by the Minister and administers the Teacher Excellence Awards program;
- works with school authorities to enhance, provide access to, and support the development and implementation of programs for students with diverse learning, linguistic, or cultural needs;
- develops and implements programs, policies, regulations and legislation that further the capacity of school authorities to meet student learning needs and learning choices of Albertans;
- maintains strong relationships with school authorities;
- monitors public, separate, francophone, charter and private school authority education plans and annual reports;
- approves First Nations, private and charter schools;
- works collaboratively with other ministries to integrate, enhance, develop, implement and evaluate Cross-Ministry initiatives for children, youth and their families; and
- conducts investigations, reviews and hearings to ensure an open, fair and effective K-12 education system.

Phone: (780) 427-7484

Corporate Services Division fosters system and fiscal accountability. The division:

- provides guidelines on financial reporting and financial advisory services to Ministry-funded school authorities;
- manages the collection, critical evaluation and analysis of school authority budgets and audited financial statements;
- assists school authorities with their student transportation issues;
- facilitates Ministry risk management processes;
- funds school authorities;
- administers the Alberta School Foundation Fund;
- produces and distributes learning resources;

- develops and implements the Ministry's human resource planning initiatives, policies and programs;
- develops budgets for the Ministry business plan, monitors budget compliance; and
- oversees Ministry administration, corporate records management, and financial and legal services.

Phone: (780) 427-2051

Information and Strategic Services Division provides Ministry-wide policy options and policy research; planning and consultation processes; information management and technology services; and direction for effective use of technology throughout the education system. The division:

- conducts policy research and coordinates policy development across the Ministry in the areas of technology, Aboriginal education, federal-provincial relations and international education;
- coordinates the business planning process across the Ministry and facilitates Ministry strategic and business planning;
- provides consultation expertise and implements Ministry-wide consultations in conjunction with business areas;
- facilitates effective and integrated use of information management and technology systems by the Ministry;
- provides and supports technical systems of the Ministry;
- issues high school and equivalency diplomas (GED) and official transcripts of courses and marks;
- collects, manages and provides education system information through the corporate data warehouse;
- provides leadership and support for the implementation of evolving technologies in the education system; and
- designs, develops and delivers print and electronic learning resources to support program delivery in the education system.

Phone: (780) 427-3663

System Improvement and Reporting Division facilitates continuous improvement and ensures accountability throughout the Ministry and education system. The division:

- develops accountability frameworks, performance measures and targets;
- conducts applied research, periodic audits or monitoring, and program evaluations;
- facilitates operational planning for the Ministry and reports the results of business, performance and operational plans;
- develops and administers surveys on the quality of education provided by jurisdictions and schools, and reports results to jurisdictions and schools;
- reports high school completion, dropout and returning, post-secondary transition, and Rutherford scholarship rates to jurisdictions and the public;
- develops and administers Grade 3, 6 and 9 Provincial Achievement Tests and Grade 12 Diploma Examinations, providing individual, school, jurisdiction and provincial results;
- administers General Education Development tests to adult learners; and
- coordinates Alberta's participation in national and international assessments.

Phone: (780) 422-1608
E-mail: measurement.learning@gov.ab.ca

In addition:

Communications Branch works with the Ministry and its stakeholders to provide communications advice and support by:

- providing useful, timely and clear information to Albertans on achievements and initiatives in the education system;
- supporting the Ministry in reaching its goals through strategic communications advice, planning services, specialized writing and editing skills;
- facilitating effective communications among Ministry employees; and
- representing the Ministry to the public and the media.

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7. Integrated Results Analysis

Deputy Minister's Message

Over the past one hundred years, Alberta has proven to be a vibrant and thriving province. The educational opportunities provided to our youth from Kindergarten to Grade 12 have been key to the success of students, schools, jurisdictions and the Ministry.

In 2004/2005, Alberta Education, through its leadership and work with stakeholders and partners, invested significantly in students in our K-12 education system. The Renewed Funding Framework, implemented in September 2004, provides equitable and substantial funding to school boards and balances increased flexibility with increased accountability.

The Ministry's results reflect ongoing improvement. Satisfaction with the overall quality of basic education remains consistently high, with public satisfaction at 72%, a result that exceeded the target. A very high proportion of high school students (91%) are satisfied with the education they are receiving in the core subjects of language arts, mathematics, science, and social studies.

These high levels of satisfaction with education delivery go hand-in-hand with high levels of student achievement. More and more students have committed to continuing and completing their high school education, and a higher proportion of students have qualified for Rutherford Scholarships than in prior years.

Alberta Education is committed to maintaining solid relationships with partners, stakeholders and communities, which share our interest in K-12 education. This commitment is reflected in feedback from cross-ministry partners and stakeholders, a large proportion of whom find Alberta Education staff collaborative, responsive and flexible. For example, the Ministry is working closely with First Nations, Métis and Inuit communities and other Alberta ministries such as Aboriginal Affairs and Northern Development to develop programs and provide services that have a real and positive impact on students from these communities.

The Ministry of Education is also dedicated to being a good steward of resources. For example, the Ministry saved the education system millions of dollars through a system-wide technology initiative, which freed up substantial amounts for jurisdictions to direct to other priority areas. Through initiatives such as this, we have been able to enhance education for Alberta students.

As Alberta's knowledge-based economy rests on the foundation of our basic education system, our provincial government remains committed to nurturing young minds and ensuring that we continue to have one of the best education systems in the world.

By working together, we will continue to achieve exceptional results and ensure young Albertans have the skills and knowledge they need to contribute to a prosperous Alberta in the future.

Keray Henke
Deputy Minister
Alberta Education

AUDITOR
GENERAL
Alberta

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

In connection with the Ministry of Education's performance measures included in the *2004-2005 Annual Report of the Ministry of Education* as presented on pages 16 to 40, and pages 48 to 58, I have:

1. Agreed information from an external organization to reports from the organization.

2. Agreed information from reports that originated from organizations included in the consolidated financial statements of the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports. For the following measures I tested the procedures used to compile the underlying data for the most recent and immediately preceding year, and reviewed earlier results for reasonableness:
    - *Annual Dropout Rates of Students Aged 14-18*
    - *Percentages of Grade 12 Students Eligible for a Rutherford Scholarship*
    - *High School Completion Rates*
    - *High School to Post-Secondary Transition Rates*

3. Checked that the presentation of results is consistent with the stated methodology.

4. Checked that the results presented are comparable to stated targets, and information presented in prior years.

5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2004.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the *2004-2005 Annual Report of the Ministry of Education*.

Fred J Dunn
FCA
Auditor General

Edmonton, Alberta
September 16, 2005

Core Business 1 – Support High Quality Learning Opportunities in the Education System

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Goal One: High Quality Learning Opportunities for All

Outcomes: The education system meets the needs of all learners, society and the economy.
Children at risk have their needs addressed through effective programs and supports.
Schools are safe and caring.

In support of this core business and goal in 2004/05, the Ministry of Education:

- Provided $3.44 billion in support for the education system, a funding increase of nearly 7% over 2003/04. This amount represents 85% of total spending and included:
  - $2.75 billion in operating grants to public and separate school jurisdictions, a funding increase of 4.3% over 2003/04;
  - an increase of $11.9 million for a total of $122.8 million in operating grant funding to private schools and private ECS programs, which continues to comprise 3% of Ministry spending;
  - new funding of $52.3 million to enable school boards to hire approximately 1,250 additional teachers and reduce average class sizes;
  - an investment of nearly $6 million for video-conferencing in the K-12 system across the province to support administration, professional development and teaching and to increase access to educational opportunities for rural and remote communities; and
  - an allocation of $1.23 million to the Alberta Regional Professional Development Consortia, which, along with $750,000 allocated in 2003/04 for a total of nearly $2 million, supports teacher in-services over three years: 2004/05 to 2006/07, in key areas such as Daily Physical Activity, languages, social studies, mathematics and Knowledge and Employability, which will replace the Integrated Occupational Program.
- Updated curriculum in the areas of French as a second language, social studies and high school sciences, and authorized Grade 4 student and teacher resources in six languages for the Second Languages Initiative.
- Released the Learning and Technology Policy Framework, to ensure technology integration supports objectives of the education system and benefits students.

Rather than relating only to funding for the 2004/05 fiscal year, achievement of results on the seven performance measures reflects the cumulative impact of years of provincial funding and effort on the part of students, parents, teachers, and administrators as well as the Ministry. Targets were met for both measures with targets; the other measures are new, reflecting the change in the focus of the Ministry to K-12 education only. Below are the performance highlights for 2004/05 for this goal.

✓ Met target
Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):
= No change
↑ Improved Performance

PERFORMANCE HIGHLIGHTS

Satisfaction with K-12 Education

✓ **Public Satisfaction** – 72% of the public remained satisfied with the overall quality of K-12 education. The target was met.

= **Stakeholder and Public Satisfaction** – 84% of high school students, parents, teachers, school board members and the public were satisfied with the overall quality of education (new).

= **Core Subjects** – 83% of students, parents, teachers, school board members and the public were satisfied that students are receiving a solid grounding in core subjects (new).

= **Program of Studies** – 78% of students, parents, teachers and school board members were satisfied with the opportunity of students to receive a broad program of studies (new).

Employment Rate

✓ **Employment Rate of Albertans 25-34** – The employment rate of aged 25-34 Albertans whose highest level of education is high school completion remained high at 81%, and met the target.

Dropout Rate

↑ **Annual Dropout Rate** – The dropout rate of students aged 14-18 decreased to 5.3% (new).

Safe and Caring Schools

= **Safe and Caring Schools** – Overall 92% of students, parents, teachers and school board members agreed that schools are safe and caring (new).

GOAL 1 PERFORMANCE MEASURES

Quality of Basic Education

TARGET:

- The target was met.

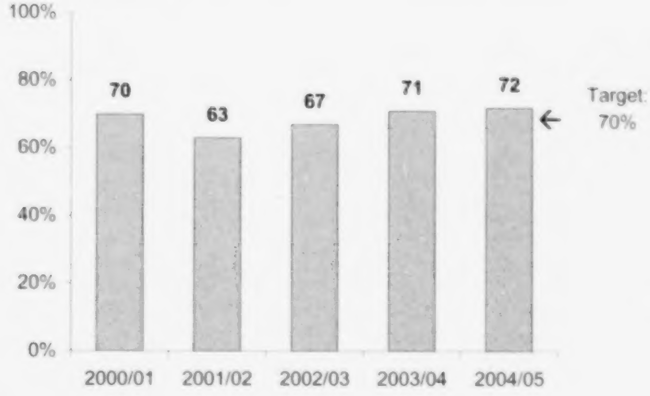
DISCUSSION:

- Over 70% of the public are satisfied with the overall quality of basic education.
- There has been a gradual increase in public satisfaction since 2001/02, when results declined sharply, likely due to the teacher labour action.
- Over the longer term, public satisfaction has returned to previous levels, indicating a recovery of public confidence in the K-12 education system.

NEW MEASURE:

- This measure has been expanded in Education's 2005 - 2008 Business Plan to include the satisfaction of those directly involved in the K-12 education system: students, parents, teachers and school board members. As such, no target was set for 2004/05.
- Differences in the questions asked of the public account for the differences in the two sets of public results presented.
- Results in 2003/04 and 2004/05 are presented to introduce this expanded measure.
- Overall satisfaction for all respondent groups combined was high in both years.
- Satisfaction of students, parents, teachers and school board members remains higher than public satisfaction.

Public Satisfaction with the Overall Quality of Basic Education



Source: Alberta Education: Criterion Research Corp. – 2000, 2001; R.A. Malatest & Associates – 2002, 2003; Compustat Consultants Inc. – 2004, 2005.

Notes:

- Satisfaction levels are based on a single question about overall satisfaction with education at schools. As such, results in the graph above are not directly comparable to the public results presented in the table below, which combines responses to two questions.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Percentages of Students, Parents, Teachers, School Board Members and the Public Satisfied with the Overall Quality of Basic Education (new measure starting in 2005/06)

NEW

Respondent Group	2003/04	2004/05
High School Students	88%	91%
Parents (ECS – 12)	82%	83%
Teachers	91%	90%
School Board Members	88%	88%
Public	66%	67%
Overall	**83%**	**84%**

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.

Notes:

- In 2003/04, "school board members" included elected trustees and superintendents, while in 2004/05, it included trustees only.
- For students, parents, teachers and school board members, overall satisfaction is a roll-up of satisfaction levels with the following specific aspects of the school system:
  - overall satisfaction with education at schools,
  - the quality of teaching at schools
  - that what is being learned in the core subjects is useful/that students are learning what they need to know,
  - school work is interesting,
  - school work is challenging, and
  - learning expectations at school are clear.
- For the public, overall satisfaction is a roll-up of responses to the following two questions:
  - overall satisfaction with education at schools, and
  - students are learning what they need to know.

  As such, these results are not directly comparable to the results in the graph at the top of the page, which presents the responses to the overall satisfaction question only.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

GOAL 1 PERFORMANCE MEASURES

Core Subjects

TARGET:

- New measure in Education's 2005-2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Results for 2003/04 and 2004/05 are presented to introduce the new measure of satisfaction that students are receiving a solid grounding in core subjects.
- Overall satisfaction for all respondent groups was high at 83% in both 2003/04 and 2004/05.
- Parent, student, teacher and school board member satisfaction is consistently higher than public satisfaction on this measure.

Percentages of Students, Parents, Teachers, School Board Members and the Public Satisfied that Students are Receiving a Solid Grounding in Language Arts, Mathematics, Science and Social Studies (new measure starting in 2005/06)

NEW

Respondent Group	2003/04	2004/05
High School Students	89%	91%
Parents (ECS – 12)	83%	83%
Teachers	83%	82%
School Board Members	84%	85%
Public	75%	74%
Overall	**83%**	**83%**

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.

Notes:

- In 2003/04, "school board members" included elected trustees and superintendents, while in 2004/05, it included trustees only.
- For students, the percentages reported are aggregates of agreement levels that "you are getting better at … reading, writing, mathematics, science, social studies".
- For parents, teachers, trustees and the public, percentages reported are aggregates of satisfaction levels that "the curriculum focuses on what students/your child needs to learn in … reading, writing, mathematics, science, social studies".
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Program of Studies

TARGET:

- New measure in Education's 2005-2008 Business Plan – no target set for 2004/05.

NEW MEASURE

- Results in 2003/04 and 2004/05 are presented to introduce this new measure on satisfaction with breadth of programs for students.
- For all respondent groups, overall satisfaction with students' opportunities to receive a broad program of studies was similar in both years.
- The addition of school board members in the overall satisfaction rate in 2004/05 accounts for most of the difference between the 2003/04 and 2004/05 overall results.

Percentages of Students, Parents, Teachers and School Board Members Satisfied with the Opportunity of Students to Receive a Broad Program of Studies (new measure starting in 2005/06)

NEW

Respondent Group	2003/04	2004/05
High School Students	81%	83%
Parents (ECS – 12)	78%	76%
Teachers	80%	78%
School Board Members	--	74%
Overall	**80%**	**78%**

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.

Notes:

- School board members were not asked this question in the 2003/04 surveys.
- Percentages reported are aggregates of satisfaction levels that "you/your child/your students/students in your jurisdiction have opportunities **to learn about**: … music, drama, art, computers, health, another language" and with "opportunities **to participate in** physical education."
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Employment Rate of High School Graduates

TARGET:

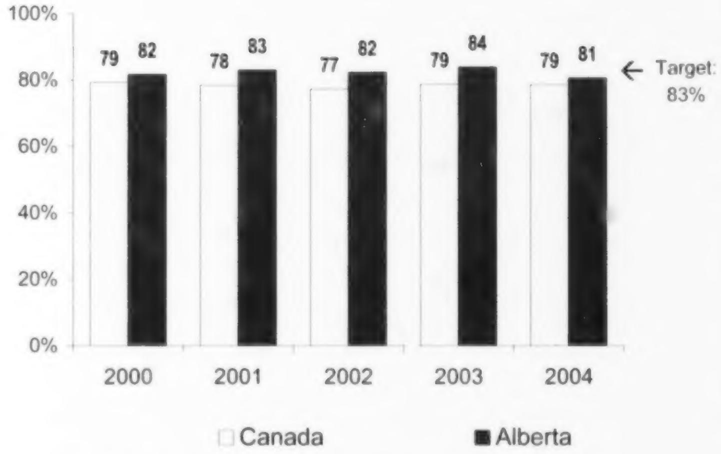
- The target was met (the result is within 5% of the target).

DISCUSSION:

For Albertans aged 25-34 whose highest level of education is high school completion:

- The employment rate has remained fairly stable over time.
- Results continue to be high and slightly above the Canadian average, which is related to the strength of Alberta's economy.
- In 2004, the unemployment rate (i.e., the percentage of those in the labour force who are not employed) was 5.3%, the lowest unemployment rate in Canada.
- About 85% of the population are in the labour force (i.e., either employed or looking for work). Those who are not in the labour force/not looking for work (e.g., homemakers, students) constitute about 15% of the population.

Employment Rate of Albertans Aged 25-34 Whose Highest Level of Education is High School Completion



Source: Statistics Canada Labour Force Survey, special tabulation for Alberta Education.

Note:

- See Endnote C, Employment Rates of Albertans Aged 25-34, page 53.

Students at Risk

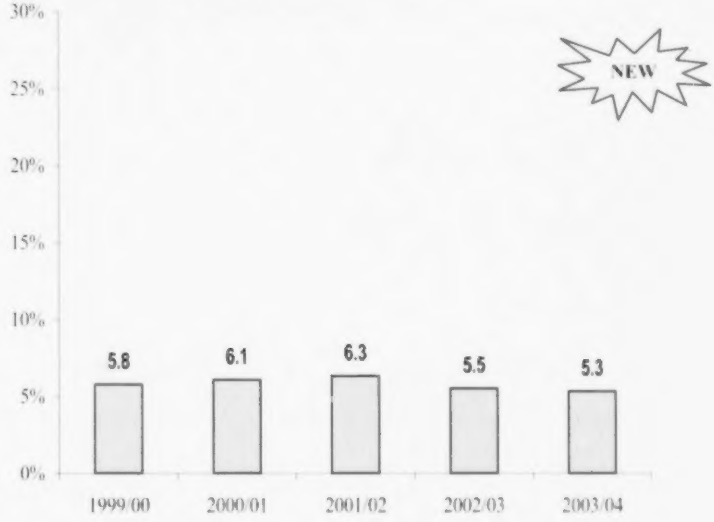
TARGET:

- New measure in Education's 2005 - 2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Multi-year results are presented to introduce this new measure.
- The rate at which students between the ages of 14 and 18 dropped out of school has declined over time from about 6% in earlier years to 5.3% in 2003/04.
- The improvement in the dropout rate may indicate acknowledgement by students of the importance of completing school, the increase in educational qualifications and skill levels of jobs as well as the efforts of parents, teachers and administrators to encourage students to stay in school.
- Dropping out of school is a temporary interruption of education. Of the students who dropped out in 2002/03, 23% resumed their education in 2003/04. In addition, many students who do not complete high school in the K-12 education system attain completion status as adults (see the high school completion rate of Albertans aged 25-34, page 31).

Annual Dropout Rates of Students Aged 14-18 (new measure starting 2005/06)



Source: Alberta Education

Notes:

- Students aged 14-18 who are not enrolled in school and have not completed high school in the following year are included in the annual dropout rate. For example, students aged 14-18 in 2002/03 were tracked for one year. Those who were not enrolled and had not completed are included in the 2003/04 dropout rate.
- An estimated attrition adjustment has been applied in calculating the dropout rate.
- See Endnote C, Annual Dropout Rate of Students Aged 14-18, pages 53-54.

Safe and Caring Schools

TARGET:

- New measure in Education's 2005 - 2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Results in 2003/04 and 2004/05 are presented to introduce this new measure on safe and caring schools.
- Overall satisfaction for all respondent groups was very high in both years.

Student, Parent, Teacher and School Board Member Agreement that Students are Safe at School, are Learning the Importance of Caring for Others, are Learning Respect for Others and are Treated Fairly (new measure starting in 2005/06)

NEW

Respondent Group	2003/04	2004/05
High School Students	92%	94%
Parents (ECS – 12)	87%	87%
Teachers	92%	92%
School Board Members	93%	94%
Overall	**91%**	**92%**

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.

Notes:

- For all respondent groups, percentages reported are aggregates of agreement levels that:
  - students feel safe at school,
  - students feel safe on the way to and from school,
  - students treat each other well at school,
  - teachers care about their students, and
  - students are treated fairly by adults at school.
- Overall agreement rates for both 2003/04 and 2004/05 are the average of agreement rates for each respondent group.
- In 2003/04, "school board members" included elected trustees and superintendents, while in 2004/05, it included trustees only.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education

Core Business 2: Support Learners to Achieve Excellent Learning Outcomes

Goal Two: Excellence in Learner Outcomes

Outcomes: Learners demonstrate high standards.
Learners complete programs.
Learners are well prepared for lifelong learning.
Learners are well prepared for work.
Learners are well prepared for citizenship.

To support this core business and goal in 2004/05, the Ministry of Education:

- Allocated $588 million, including:
  - over $68 million for innovative projects that support student learning as part of the Alberta Initiative for School Improvement (AISI), a 5.5% increase over 2003/04;
  - an increase in special needs-related funding by nearly $29 million over 2003/04 to $204.4 million to enhance school boards' ability to meet the needs of students with severe disabilities;
  - a funding increase for Student Health Services of 21% over 2003/04 levels, to approximately $37 million;
  - nearly $26 million for English as a Second Language programs, an increase of over $6 million since 2003/04;
  - additional funding of $12.4 million for classroom resources; and
  - a funding increase for student transportation of $11.3 million for rural and small urban school boards, an increase of 6% over the previous year.
- Established baseline data on educational attainment of Aboriginal Albertans living off-reserve through the expanded Aboriginal sample for the Labour Force Survey.
- Established policy for Knowledge and Employability courses, which will replace the Integrated Occupational Program (IOP), and expanded field validation of the tests for Grade 9 IOP.
- Improved the AISI Clearinghouse for sharing project information and promising practices.
- Expanded the team of specialists providing special needs assessments and consultations in Grande Prairie, Lethbridge and Red Deer.
- Established a task force and consulted with stakeholders on ways to improve high school completion rates.

Rather than relating solely to funding for the 2004/05 fiscal year, achievement of results for the 11 performance measures for Goal 2 reflects a cumulative impact of provincial funding and effort on the part of students, parents, teachers and administrators as well as the Ministry over a number of years. Four of these measures have targets in 2004/05. Following are the 2004/05 performance highlights for this goal.

✓ Met target

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

↑ Improved performance

↓ Performance decline

PERFORMANCE HIGHLIGHTS

Student Achievement

Grade 3, 6, 9 Achievement Tests

= Overall results for students who wrote the tests have remained constant at both the acceptable and the excellence levels.

= Overall results for all students in grade have remained stable at the excellence level.

Diploma Examinations

↑ Students met provincial expectations on more diploma examinations in 2004/05 than in 2003/04.

↑ **Rutherford Scholarship Eligibility** – 34% of Grade 12 students were eligible for a Rutherford scholarship (new).

Educational Attainment

✓ **High School Completion** – The high school completion rate within five years of entering Grade 10 remained stable at 75%, meeting the target. Three-year high school completion rates have improved substantially over time.

✓ **High School Completion of Albertans 25-34** – The high school completion rate of Albertans aged 25-34 remained high at 90%. The target was met.

Preparation for Lifelong Learning

↑ **Early Childhood Services** – The percentage of students who participated in Early Childhood Services programs prior to Grade 1 increased slightly in 2002/03 to 96% and has remained at that high level.

↑ **Transition to Post-Secondary** – 54% of Alberta's high school students enrolled in a post-secondary program within six years of entering Grade 10 (new).

Preparation for Employment

= **Employer Satisfaction** – 86% of employers of recent high school graduates were satisfied with the skills and quality of the work of the graduates they employed (restated).

= **Preparation for Success at Work** – Overall 69% of parents, teachers and the public agreed that students are taught attitudes and behaviours that will make them successful at work when they finish school (new).

Preparation for Citizenship

✓ **Preparation for Citizenship** – 60% of public respondents surveyed were satisfied that high school students are well prepared for citizenship, meeting the target.

= **Active Citizenship** – 83% of parents, teachers and high school students were satisfied that students model the characteristics of active citizenship (new).

OPPORTUNITIES FOR IMPROVEMENT

↓ Overall results on Provincial Achievement Tests for all students in grade declined slightly at the acceptable level from 2003/04 to 2004/05. Percentages of students writing the tests has declined slightly over time to 89.5% in 2004/05. Implementation of provincial initiatives such as the Renewed Funding Framework, which includes increased accountability for results, and the Class Size Initiative, which reduced class sizes at all levels, should have a positive impact on student results in future years.

Achievement Test Results Overall

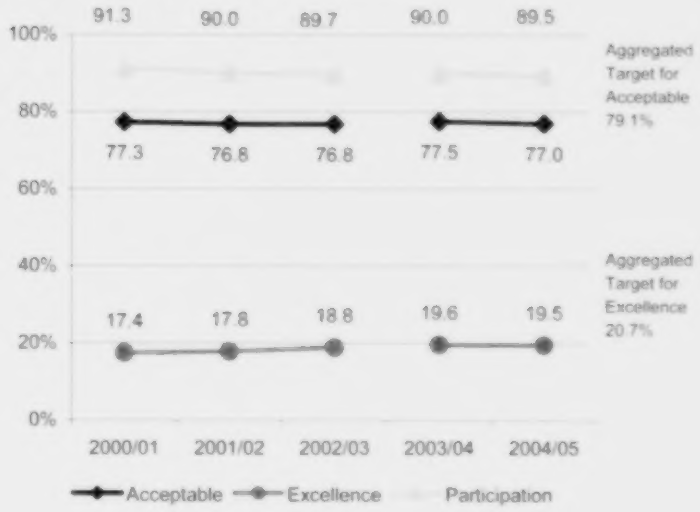
TARGET:

- The aggregated targets for overall results on provincial achievement tests in grades 3, 6, and 9 at the standard of excellence were not met.
- The aggregated targets at the acceptable standard were not met.

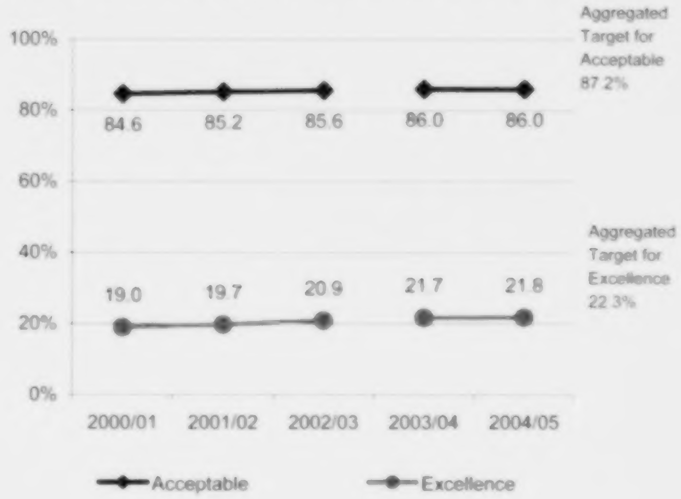
DISCUSSION:

- Science 9 test results and participation rates are not included in the aggregated results for 2003/04 and 2004/05 since there was no target for that test, which was based on new curriculum that was fully implemented in 2003/04.
- Compared to 2003/04, the overall results based on total enrolment were similar in 2004/05 at the excellence level but declined slightly at the acceptable level.
- The overall results for writers between 2003/04 and 2004/05 remained stable at both excellence and acceptable levels.
- The overall participation rate has decreased over time, to 89.5% in 2004/05.
- The overall results based on total enrolment, including Science 9 in 2003/04 and 2004/05, were 76.4% and 76.1% at the acceptable level and 18.9% and 18.8% at the excellence level, and the participation rates were 89.9% and 89.3%, respectively. The corresponding overall results for writers in 2003/04 and 2004/05 were 84.9% and 85.1% at the acceptable level and 20.9% and 21.0% at the excellence level (see Overall on pages 26-27).
- Targets for Science 9 results will be set in the 2006-2009 Business Plan.
- 2004/05 is the last year to report results for writers (bottom graph and page 27).

Combined Results (All Grades and Subjects) – Participation Rates and Percentages of Students Who Demonstrated Standards on Provincial Achievement Tests (total enrolment in grade)



Combined Results (All Grades and Subjects) – Percentages of Students Who Wrote and Met Standards on Provincial Achievement Tests



Source: Alberta Education.

Notes:

- The percentages of students achieving the acceptable standard include the students achieving the standard of excellence.
- Aggregated targets are the averages of the targets for each subject and grade for the acceptable standard and the standard of excellence for both methods of calculating results.
- The 2003/04 and 2004/05 aggregated data does not include Science 9 test results and participation rates, since no target was set for that test. No comparison should be made to earlier years' data, which includes Science 9.
- See Endnote C, Provincial Achievement Tests, pages 54-55.

Achievement Test Results for All Students in Grades 3, 6 and 9

TARGETS:

- Results for all students in grade met or exceeded targets for the standard of excellence in three tests – Grade 6 Social Studies and Science, and Grade 9 Mathematics.
- Results for all students in grade met the target for the acceptable standard in one test – Grade 9 Mathematics.

DISCUSSION:

- Student performance at the acceptable level improved in one of nine tests since 2000/01, and improved in four of ten tests since last year.
- Student performance at the standard of excellence improved in all nine tests since 2000/01, and improved or remained the same in six of ten tests since last year.
- Compared to 2003/04, the first year of the full implementation of the new Science 9 test based on a new curriculum, the 2004/05 Science 9 results improved at both the acceptable and excellence levels.
- Compared to last year, the 2004/05 results for the Grade 9 Language Arts and Mathematics improved at both the acceptable and excellence levels.
- The results at the acceptable level for the Grade 9 Language Arts and Mathematics tests are reported annually by the provincial government as indicators of literacy and numeracy, as adult literacy surveys are not conducted regularly. Students who achieve the acceptable standard in these subjects have developed the foundation skills needed to become literate and numerate adults.

Percentages of Students in Grades 3, 6 and 9 Demonstrating the Standards on Provincial Achievement Tests

Subject	2000/ 2001	2001/ 2002	2002/ 2003	2003/ 2004	2004/ 2005	Targets 2004/ 2005
Grade 3						
Language Arts						
excellence	16.1	14.9	15.7	15.1	16.2	18%
acceptable	82.8	81.2	82.4	81.7	82.2	83%
Mathematics						
excellence	23.8	26.7	29.8	27.4	26.1	31%
acceptable	81.8	81.2	82.3	81.8	80.3	83%
Grade 6						
Language Arts						
excellence	14.9	15.1	17.3	15.5	15.5	18%
acceptable	78.7	80.8	81.2	79.1	77.3	82%
Mathematics						
excellence	17.9	18.1	17.7	21.2	18.1	19%
acceptable	79.3	78.3	78.3	78.5	78.2	80%
Science						
excellence	25.3	22.6	24.1	26.2	26.0	25%
acceptable	82.0	79.5	80.0	80.6	79.8	81%
Social Studies						
excellence	18.7	19.4	20.3	19.7	21.5	21%
acceptable	78.6	78.3	79.0	78.6	78.4	80%
Grade 9						
Language Arts						
excellence	13.1	14.6	13.5	12.4	14.0	15%
acceptable	78.8	78.5	78.0	77.6	77.9	80%
Mathematics						
excellence	16.3	16.7	17.6	18.9	19.7	19%
acceptable	66.5	64.5	63.5	66.1	68.0	68%
Science						
excellence	11.9	11.4	13.0	12.1	12.8	–
acceptable	71.7	71.6	71.1	66.6	67.5	–
Social Studies						
excellence	16.0	18.0	18.7	20.0	18.3	20%
acceptable	72.8	73.8	72.6	73.1	71.3	75%
Overall						
excellence						
acceptable	17.4	17.8	18.8	18.9	18.9	–
	77.3	76.8	76.8	76.4	76.1	–

Source: Alberta Education.

Notes:

- The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- The 2002/03 Science 9 test results do not include one-third of Grade 9 students who wrote Science 9 Form B, based on the learning outcomes of the new Program of Studies. The 2003/04 and 2004/05 results in Science 9 are not comparable to earlier years' results.
- The new Science 9 program was fully implemented in 2003/04 and no target was set for 2004/05.
- See Endnote C, Provincial Achievement Tests, pages 54-55.

Participation Rates for Provincial Achievement Tests (Supplemental Information)

Grade	Subject	2000/ 2001	2001/ 2002	2002/ 2003	2003/ 2004	2004/ 2005
Grade 3	Language Arts	92.6	90.6	91.5	90.6	90.2
	Mathematics	93.4	91.6	92.1	91.7	90.8
Grade 6	Language Arts	92.1	91.2	91.0	90.9	89.9
	Mathematics	92.9	91.8	91.4	91.1	90.9
	Science	93.1	91.6	91.0	91.2	90.6
	Social Studies	92.8	91.2	91.4	91.0	90.0
Grade 9	Language Arts	88.3	87.5	87.4	87.3	87.4
	Mathematics	88.4	87.5	87.4	87.7	87.6
	Science	89.7	88.7	85.9	88.6	88.2
	Social Studies	89.3	88.7	87.7	88.6	87.8
Overall	All grades and subjects	91.3	90.0	89.7	89.9	89.3

Source: Alberta Education.

Note: See Endnote C, Provincial Achievement Tests, pages 54-55.

Achievement Test Results for Test Writers

TARGETS:

- Results for students who wrote provincial achievement tests met or exceeded the targets for the acceptable standard in three of nine tests.
- Results for students who wrote provincial achievement tests met or exceeded the targets for the standard of excellence in four of nine tests.

DISCUSSION:

- Student performance at the acceptable standard improved in six of nine tests since 2000/01, and improved in five of ten tests since last year.
- Student performance at the excellence level improved in all nine tests since 2000/01, and improved in six of ten tests since last year.
- Results in Mathematics 9 improved substantially over prior years at both the acceptable and excellence levels.
- There also were noticeable improvements in 2004/05 in student performance at the excellence level for two of the three language arts tests: grades 3 and 9.
- Student performance in Grade 9 Science improved at both the excellence and acceptable levels, compared to 2003/04.

Percentages of Students in Grades 3, 6 and 9 Who Wrote and Achieved the Standards on Provincial Achievement Tests

Subject	2000/ 2001	2001/ 2002	2002/ 2003	2003/ 2004	2004/ 2005	Targets 2004/ 2005
Grade 3						
Language Arts						
excellence	17.4	16.4	17.2	16.7	18.0	19%
acceptable	89.4	89.6	90.1	90.2	91.1	91%
Mathematics						
excellence	25.4	29.2	32.4	29.9	28.8	32%
acceptable	87.6	88.7	89.3	89.2	88.5	90%
Grade 6						
Language Arts						
excellence	16.2	16.5	19.0	17.0	17.2	19%
acceptable	85.4	88.6	89.2	87.0	85.9	90%
Mathematics						
excellence	19.3	19.7	19.3	23.3	20.0	20%
acceptable	85.4	85.2	85.6	86.2	86.0	87%
Science						
excellence	27.2	24.6	26.5	28.8	28.6	28%
acceptable	88.0	86.7	87.9	88.3	88.0	89%
Social Studies						
excellence	20.2	21.3	22.3	21.7	23.9	23%
acceptable	84.7	85.9	86.4	86.4	87.0	87%
Grade 9						
Language Arts						
excellence	14.9	16.7	15.4	14.2	16.1	17%
acceptable	89.2	89.8	89.2	88.9	89.1	91%
Mathematics						
excellence	18.4	19.1	20.1	21.5	22.5	21%
acceptable	75.2	73.7	72.6	75.4	77.7	76%
Science						
excellence	13.3	12.8	15.1	13.6	14.5	--
acceptable	79.9	80.7	82.8	75.2	76.5	--
Social Studies						
excellence	17.9	20.3	21.3	22.6	20.8	22%
acceptable	81.5	83.2	82.8	82.6	81.1	84%
Overall						
excellence	19.0	19.7	20.9	20.9	21.0	--
acceptable	84.6	85.2	85.6	84.9	85.1	--

Source: Alberta Education.

Notes:

- The percentages achieving the acceptable standard include the percentages achieving the standard of excellence.
- The 2002/03 Science 9 test results do not include one-third of Grade 9 students who wrote Science 9 Form B, based on the learning outcomes from the new Program of Studies.
- Starting in 2003/04, the new Science 9 program was fully implemented and no target was set for 2004/05. Science 9 results in 2003/04 and 2004/05 are not comparable to earlier years.
- See Endnote C, Provincial Achievement Tests, pages 54-55.

Diploma Examination Results

TARGET:

- No targets were set for 2004/05. Targets will be set in future years, since a method for equating diploma examinations is being phased in to enable direct comparison of results over time.

DISCUSSION:

- In 2004/05, provincial expectations continued to be achieved for most of diploma examinations at the excellence and acceptable levels. Students met or exceeded provincial expectations in more exams in 2004/05 than in 2003/04: specifically in all but one exam at the excellence level, and in eight of 11 exams at the acceptable level.
- As test equating was implemented in 2003/04 for Social Studies 30 and 33, the results for 2003/04 and 2004/05 for these two exams can be directly compared. Equating was extended to Pure Mathematics 30, Chemistry 30 and Physics 30 in 2004/05, enabling direct comparison of the 2004/05 results for these three exams to results in future years.

Percentages of Students Writing Diploma Examinations who Achieved Standards

Course	Standard	2000/ 2001	2001/ 2002	2002/ 2003	2003/ 2004	2004/ 2005
English 30-1	excellence	--	--	--	19	18
	acceptable	--	--	--	92	89
English 30-2	excellence	--	--	--	7	10
	acceptable	--	--	--	85	89
French Language Arts 30	excellence	--	--	15	17	19
	acceptable	--	--	95	95	95
Social Studies 30	excellence	19	21	22	24	24
	acceptable	85	86	87	86	85
Social Studies 33	excellence	13	12	13	15	18
	acceptable	81	81	82	83	85
Pure Mathematics 30	excellence	20	28	27	32	26
	acceptable	77	82	85	84	81
Applied Mathematics 30	excellence	--	--	14	14	22
	acceptable	--	--	85	86	88
Biology 30	excellence	27	26	22	27	27
	acceptable	81	84	81	82	82
Chemistry 30	excellence	22	24	25	28	33
	acceptable	79	82	85	86	88
Physics 30	excellence	24	33	25	30	28
	acceptable	79	84	82	87	84
Science 30	excellence	14	12	20	17	22
	acceptable	83	82	88	84	88

Source: Alberta Education.

Notes:

- 85% of students are expected to achieve the acceptable standard and 15% are expected to achieve the standard of excellence. These provincial expectations are reference points used in the basic learning system to interpret results, not targets in the 2004-2007 business plan.
- The percentages of students achieving the acceptable standard include the percentages of students achieving the standard of excellence.
- 2004/05 was the second year of full implementation of English 30-1 and 30-2, which reflect the new Program of Studies. English 30 and 33, based on the old program, are being phased out.
- Starting in 2002/03 for the social studies exams and in 2003/04 for all math/science exams, the written and multiple choice portions are administered in separate sittings.

Participation in Diploma Exam Courses (Supplemental Information)

- Completing an English and a Social Studies diploma examination course is required for high school graduation.
- The percentage of students in their third year of high school who completed a Social Studies diploma course was 86% in 2004/05. This participation rate increased in 2002/03 and has remained fairly stable.
- The percentages of students completing an English diploma course rose from 81% last year to 85% in 2004/05.
- The participation rates for Pure Mathematics 30 and Chemistry 30 increased since last year, while the participation rates for all other diploma courses remained the same.

Percentages of Students Completing Diploma Examination Courses (participation)

Subject	2000/ 2001	2001/ 2002	2002/ 2003	2003/ 2004	2004/ 2005
English 30-1	-	-	-	56	59
English 30-2	-	-	-	25	26
French Language Arts 30	-	-	3	3	3
Social Studies 30	49	51	53	53	54
Social Studies 33	34	33	33	34	32
Pure Math 30	33	42	44	44	46
Applied Math 30	-	-	22	22	22
Biology 30	39	41	43	43	43
Chemistry 30	35	36	38	38	39
Physics 30	22	23	24	24	24
Science 30	7	7	7	8	8

Source: Alberta Education.

Notes:

- Students can choose among courses to complete high school and meet post-secondary entry requirements; only part of the Grade 12 class writes each diploma exam.
- See Endnote C, Diploma Examinations, pages 55-56.

Rutherford Scholarships

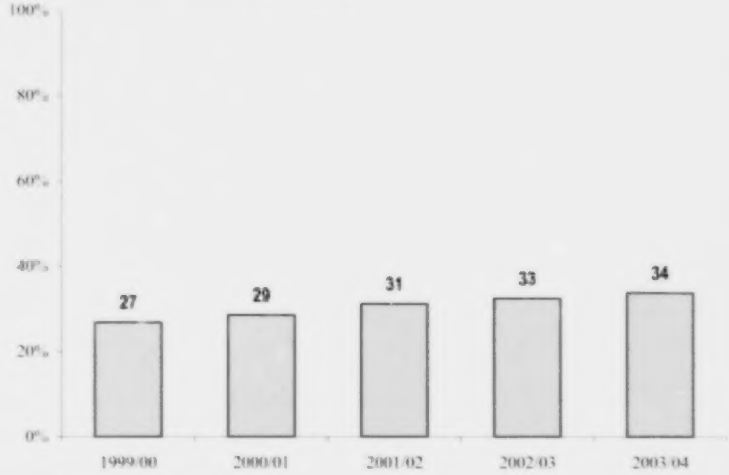
TARGET:

- New measure in Education's 2005 - 2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Multi-year results are presented to introduce the new performance measure.
- Nearly 34% of Grade 12 students in 2003/04 had marks during high school that met the requirements for a Rutherford Scholarship.
- The proportion of Grade 12 students eligible for a Rutherford Scholarship has increased steadily over time, from 27% in 1999/2000 to 34% in 2003/04.
- Results indicate that a greater proportion of Alberta's high school students are achieving academic excellence.

Percentages of Grade 12 Students Eligible for a Rutherford Scholarship (new measure starting 2005/06)



Source: Alberta Education.

Notes:

- Students need marks of 80% or higher in certain courses in grades 10, 11, and/or 12 to qualify for a Rutherford Scholarship.
- The measure reports the percentages of Grade 12 students whose marks in specific courses in grades 10, 11, and 12 meet the criteria for a Rutherford Scholarship, not the percentages who received the scholarship.
- In order to receive a Rutherford Scholarship, students must enroll in a post-secondary program.
- See Endnote C, Rutherford Scholarship Eligibility Rate of Grade 12 Students, page 56.

High School Completion

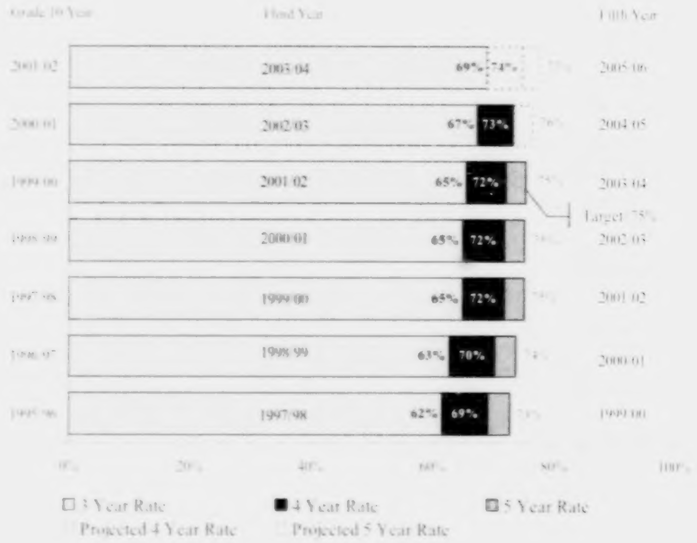
TARGET:

- The target was met.

DISCUSSION:

- The high school completion rate within five years of entering Grade 10 (the core measure) increased to 75% in 2001/02 and has remained at that level. In the fifth year, over 3% of students are still in high school and may complete in a subsequent year.
- The four-year high school completion rate has increased gradually from 69% in 1998/99 to 73% in 2003/04.
- The three-year high school completion rate has increased steadily and substantially from 62% in 1997/98 to 69% in 2003/04.
- These increases reflect increased attention to high school completion in recent years and the recognition that high school completion is needed for future success.
- Of the students included in the five-year rate, most (over 85%) complete in three years. This makes the three-year rate a reliable predictor of the four- and five-year rates in future years. Projections indicate the four- and five-year rates are likely to increase slightly in future years.
- Substantial portions of students who do not complete high school in the basic education system attain high school completion status as adults (see Educational Attainment, page 31).

High School Completion Rates



Source: Alberta Education

Notes:

- Projections indicate results likely to be achieved given the three-year completion rates for these groups of Grade 10 students and completion rates in prior years. The projection for 2005/06 also considers the projected 5-year rate for 2004/05.
- Included in the calculation of high school completion rates is an estimated attrition adjustment.
- Prior years' rates have been restated, using an established Grade 10 cohort for each school year.
- See Endnote C, High School Completion Rates, page 56.

High School Completion

TARGET:

- The target was met.

DISCUSSION:

- The high school completion rate within five years of entering Grade 10 (the core measure) increased to 75% in 2001/02 and has remained at that level. In the fifth year, over 3% of students are still in high school and may complete in a subsequent year.
- The four-year high school completion rate has increased gradually from 69% in 1998/99 to 73% in 2003/04.
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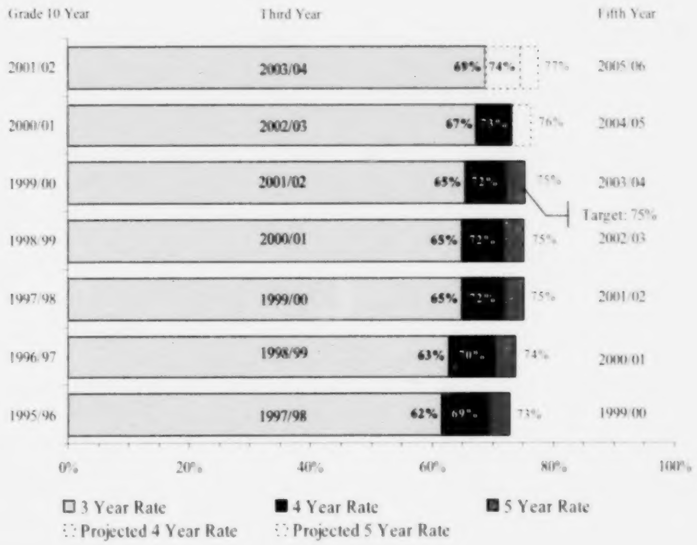
- Substantial portions of students who do not complete high school in the basic education system attain high school completion status as adults (see Educational Attainment, page 31).

High School Completion Rates



Source: Alberta Education

Notes:

- Projections indicate results likely to be achieved given the three-year completion rates for these groups of Grade 10 students and completion rates in prior years. The projection for 2005/06 also considers the projected 5-year rate for 2004/05.
- Included in the calculation of high school completion rates is an estimated attrition adjustment.
- Prior years' rates have been restated, using an established Grade 10 cohort for each school year.
- See Endnote C, High School Completion Rates, page 56.

Educational Attainment

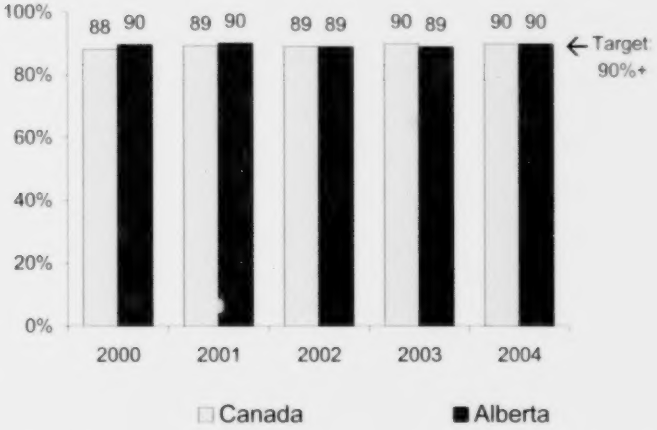
TARGET:

- The target was met.

DISCUSSION:

- The percentages of Albertans aged 25-34 with at least high school completion are stable on a year-to-year basis.
- Alberta's results remain high and similar to the national average.

Percentages of Albertans Aged 25-34 who Completed High School



Source: Statistics Canada Labour Force Survey, special tabulation for Alberta Education.

Notes:

- Since respondents were asked about their highest level of education, those who indicated they have participated in or completed some post-secondary studies are considered to have completed high school.
- See Endnote B, pages 51-52 on the use of confidence intervals for survey measures to interpret results and on assessment of results over time.
- See Endnote C, Educational Attainment of Albertans Aged 25-34, page 57.

Preparation of Children for School

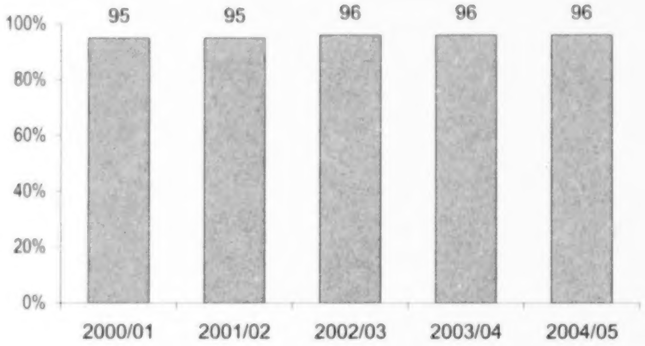
TARGET:

- No target for 2004/05 was set for this proxy measure of readiness to learn.

DISCUSSION:

- The percentage of children who participated in Early Childhood Services (ECS) programs before entering Grade 1 increased slightly in 2002/03 and has remained very high over time.
- Most parents choose to enroll their children in ECS programs even though ECS attendance is not mandatory.
- ECS programming is designed to prepare children for entry into Grade 1 and to provide a foundation for success in school.

Percentages of Grade 1 Students who Attended Early Childhood Services (ECS) Programs



Source: Alberta Education.

Notes:

- Includes children enrolled in Early Childhood Services (ECS) or ungraded programs prior to Grade 1.
- See Endnote C, Participation in Early Childhood Services Programs, page 57.
- See Endnote B, pages 51-52, for information on assessment of results over time.

Transition to Post-Secondary

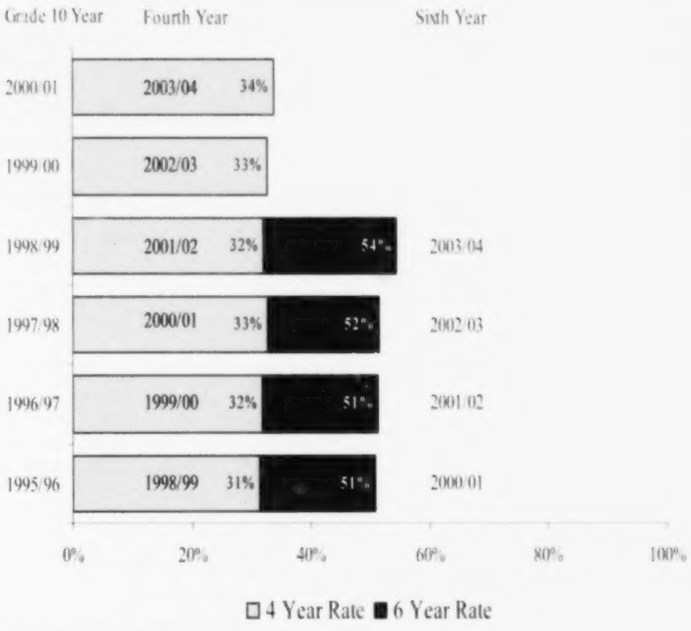
TARGET:

- New measure under development in the Ministry's 2004 - 2007 Business Plan – no target set.

DISCUSSION:

- The high school to post-secondary transition rate reports the proportion of students who have enrolled in a post-secondary program within four and six years of entering Grade 10.
- The percentage of Alberta's high school students who have entered a post-secondary program has risen slightly over time.
- The results show that a substantial proportion of Alberta's young people delay their entry to post-secondary programs after high school. About one-third are attending a post-secondary program four years after starting Grade 10 while more than half are attending six years after Grade 10.

High School to Post-Secondary Transition Rates



Source: Alberta Education.

Notes:

- Students are considered to be attending post-secondary if they are enrolled in a public or private post-secondary institution in Alberta or registered in an apprenticeship program in Alberta. Adjustments for attrition and attending post-secondary out of province are based on estimates.
- Starting with 2003/04, information on post-secondary enrolment comes from a different data source, which may account for the difference from prior years' results.
- Prior years' results have been restated, using an established Grade 10 cohort for each school year.
- See endnote C, High School to Post-Secondary Transition Rates, pages 57-58.

Transition to Post-Secondary

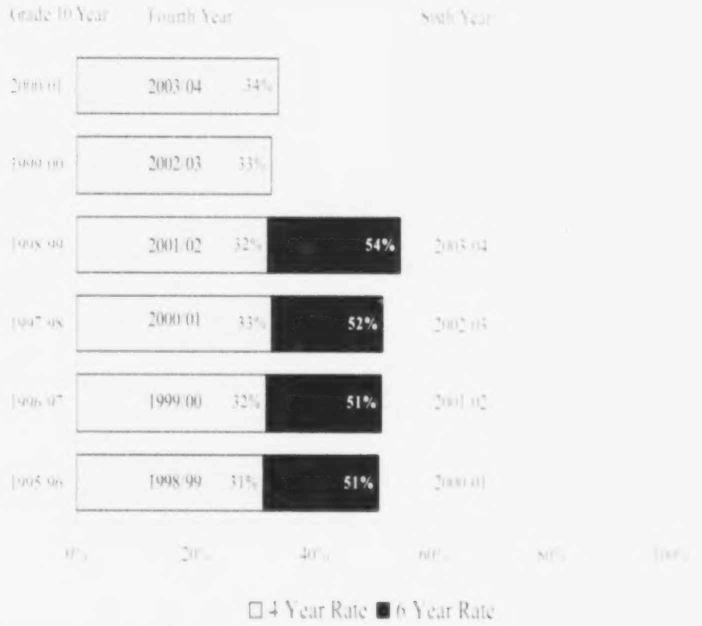
TARGET:

- New measure under development in the Ministry's 2004 - 2007 Business Plan – no target set.

DISCUSSION:

- The high school to post-secondary transition rate reports the proportion of students who have enrolled in a post-secondary program within four and six years of entering Grade 10.
- The percentage of Alberta's high school students who have entered a post-secondary program has risen slightly over time.
- The results show that a substantial proportion of Alberta's young people delay their entry to post-secondary programs after high school. About one-third are attending a post-secondary program four years after starting Grade 10 while more than half are attending six years after Grade 10.

High School to Post-Secondary Transition Rates



Source: Alberta Education.

Notes:

- Students are considered to be attending post-secondary if they are enrolled in a public or private post-secondary institution in Alberta or registered in an apprenticeship program in Alberta. Adjustments for attrition and attending post-secondary out of province are based on estimates.
- Starting with 2003/04, information on post-secondary enrolment comes from a different data source, which may account for the difference from prior years' results.
- Prior years' results have been restated, using an established Grade 10 cohort for each school year.
- See endnote C, High School to Post-Secondary Transition Rates, pages 57-58.

Preparation for Employment

TARGET:

- No target for 2004/05 – biennial survey.

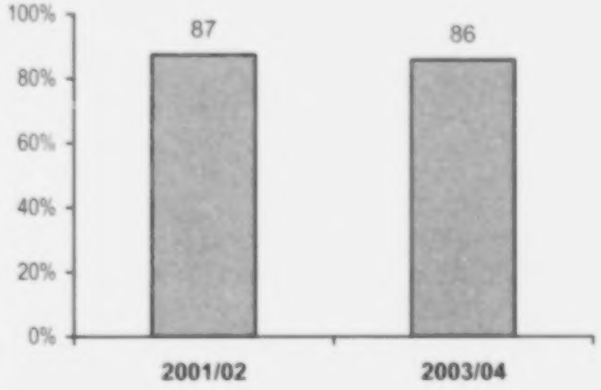
DISCUSSION:

- Following the creation of Alberta Education and Advanced Education from the former Ministry of Learning, the employer satisfaction measure was restated to focus on outcomes for the K-12 system.
- Employer satisfaction with the skills and quality of work of high school graduates remained high and stable over time.

NEW MEASURE:

- A new measure was introduced in Education's 2005-2008 Business Plan on students' preparation for employment. As such, no target was set for 2004/05.
- Overall agreement (all respondent groups combined) was stable at 69% in both 2003/04 and 2004/05.
- While agreement levels were consistent within the three respondent groups (parents, teachers and the public) from 2003/04 to 2004/05, agreement levels among respondent groups varied substantially in both years.

Employer Satisfaction with the Skills and Quality of Work of High School Graduates (restated)



Source: Alberta Education: Environics West – 2002, Environics Research Group – 2004.
Notes:

- Employer surveys are conducted every other year.
- See Endnote A, pages 48-50 for information on surveys conducted for Alberta Education.

Parent, Teacher and Public Agreement that Students are Taught Attitudes and Behaviors that Will Make Them Successful at Work When They Finish School (new measure starting in 2005/06)

Respondent Group	2003/04	2004/05
Parents (ECS – 12)	75%	74%
Teachers	85%	86%
Public	47%	48%
Overall	**69%**	**69%**

NEW

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.
Notes:

- Overall agreement rates for both 2003/04 and 2004/05 are the average of agreement rates for each respondent group.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Preparation for Citizenship

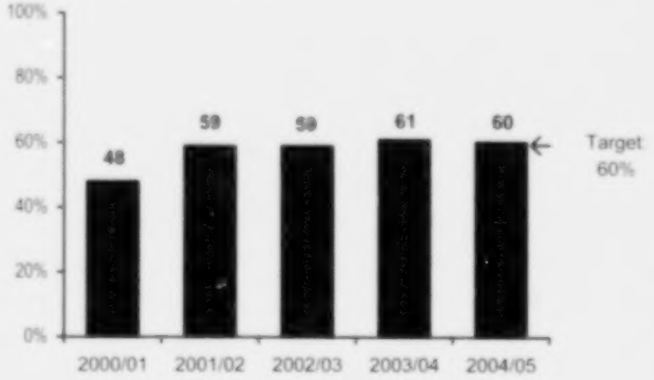
TARGET:

- The target was met.

DISCUSSION:

- Public satisfaction that high school graduates are well prepared for citizenship has been stable the last four years, following a significant increase in 2001/02.
- The survey question was clarified starting in 2001/02, which may account for the difference between results in recent years and those in 2000/01.

Public Satisfaction that High School Graduates are Well Prepared for Citizenship



Sources: Alberta Education: Criterion Research Corp. – 2001; R.A. Malatest & Associates – 2002, 2003; Compustat Consultants Inc. – 2004, 2005.

Notes:

- The survey question was revised in the 2001/02 survey as a result of field testing and asks the public to indicate how satisfied they are that recent Alberta high school graduates are well prepared for citizenship.
- In prior years, the public was asked to indicate if they agreed that high school graduates in Alberta were being taught the rights and responsibilities of citizenship.
- See Endnote A, pages 48-50, for other information on surveys conducted for Alberta Education.

NEW MEASURE:

- A replacement citizenship measure was introduced in Education's 2005-2008 Business Plan. As such, no target was set for 2004/05.
- This new measure asks high school students, parents and teachers a more specific set of questions to probe citizenship in greater depth.
- Overall results for all respondent groups combined and for each respondent group were fairly high in both 2003/04 and 2004/05.
- Teacher agreement levels have been consistently higher than those of parents and students.

Student, Parent and Teacher Satisfaction that Students Model the Characteristics of Active Citizenship (new measure starting in 2005/06)

NEW

Respondent Group	2003/04	2004/05
High School Students	76%	78%
Parents (ECS – 12)	79%	81%
Teachers	90%	90%
Overall	**82%**	**83%**

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.

Notes:

- For all respondent groups, percentages reported are aggregates of agreement levels that:
  - students help each other,
  - students respect each other,
  - students are encouraged to get involved in activities that help people in the community,
  - students are encouraged to try their best, and
  - students follow the rules.
- Overall agreement rates for both 2003/04 and 2004/05 are the average of agreement rates for each respondent group.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Core Business 3: Support the Continuous Improvement of the Ministry and Education System

Goal Three: Highly Responsive and Responsible Ministry

Outcomes: Improved results through effective working relationships with partners and stakeholders.
The Ministry demonstrates leadership and continuous improvement.

To carry out this core business and to support the goal in 2004/05:

- Over $16 million, representing 0.4% of Ministry expenses, was spent on Ministry Support Services, reflecting responsibilities such as governance, planning, policy coordination, information systems and financial management.
- Alberta Education's governance and support services for 2004/05 included:
  - implementing the Funding Pillar of the Renewed Funding Framework, including a new system to support allocations to school jurisdictions based on the new formulas;
  - initiating online surveys of teachers and of students in grades 4, 7 and 10 in support of the Accountability Pillar of the Renewed Funding Framework;
  - developing and implementing a web-based application for school jurisdictions to report average class sizes;
  - launching a new teacher registry system and a new stakeholder registry system;
  - pursuing an agreement with British Columbia to enable schools in that province to purchase learning resources from Alberta's Learning Resources Centre, thereby lowering the cost of learning resources for schools in both provinces through economies of scale;
  - contributing to four Cross-Ministry Initiatives: Alberta Children and Youth; Aboriginal Policy; Health Renewal and Wellness; and Leading in Learning and Skilled Workforce; and
  - staff development, with 74.4% of Alberta Education employees participating in training and development as part of implementing the strategy in the Ministry's Human Resource Plan to ensure staff have the necessary skills, knowledge and capacity.

Results achieved are a reflection of cumulative effort and funding over a number of years, rather than relating solely to funding for the 2004/05 fiscal year. Of the five Ministry performance measures to assess achievement of the outcomes for Goal 3, three are new and two are reframed to focus only on the K-12 system. The following are the 2004/05 performance highlights for this goal.

Results from base year for measures without targets or not meeting targets (taking the confidence interval into account):

= No change

N No prior data for this measure

PERFORMANCE HIGHLIGHTS

Partner and Stakeholder Satisfaction

N **Collaboration** – 84% of partners and stakeholders agreed that Alberta Education staff are collaborative (reframed).

= **Parental Involvement** – 84% of parents, teachers and school board members were satisfied with parental involvement in decisions about their child's education (new).

N **Responsiveness and Flexibility** – 82% of partners and stakeholders agreed that Ministry staff are responsive and flexible (reframed).

Leadership and Improvement

N **System Improvement** – 66% of parents, teachers and school board members indicated that the K-12 system has improved or stayed the same in the last three years (new).

OPPORTUNITIES FOR IMPROVEMENT

N **Provincial Leadership** – 60% of parents, teachers, school board members and stakeholders were satisfied that the leadership at the provincial level effectively supports and facilitates teaching and learning (new).

Note: A methodology to evaluate achievement and improvement on core measure results is under development.

Working Relationships

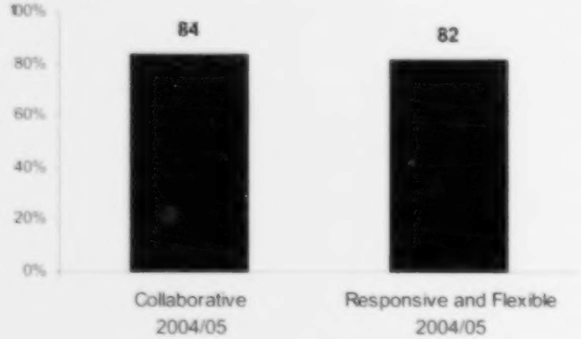
TARGET

- The targets for cross-ministry partner and learning system stakeholder perceptions of Alberta Learning staff in the 2004 - 2007 Business Plan (90% for collaborative, and 90% for responsive and flexible) are not applicable to Alberta Education.

DISCUSSION

- Following the creation of Alberta Education and Advanced Education from the former Ministry of Learning, the cross-ministry partner and learning system stakeholder perception measure was reframed to focus on Alberta Education staff.
- In 2004/05, partner and stakeholder agreement that Alberta Education staff are collaborative was high at 84%, as was their agreement that Alberta Education staff are responsive and flexible (82%).

Percentages of Cross-Ministry Partners and Education System Stakeholders Satisfied that Alberta Education Staff are Collaborative, Responsive and Flexible (reframed)



Source: Alberta Education: Hargroup Management Consultants Inc. – 2005.
Note:

- For the purpose of these surveys, partners are representatives of other ministries that are involved in Cross-Ministry Initiatives with Alberta Education, and stakeholders are representatives of K-12 education system stakeholder organizations, such as the Alberta School Boards Associations, the College of Alberta School Superintendents and the Alberta Home and School Councils' Association.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Parental Involvement

TARGET:

- New measure in Education's 2005-2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Results in 2003/04 and 2004/05 for parents, teachers and school board members are presented to introduce this new measure on parental involvement in education.
- Overall satisfaction for all respondent groups was high at 84% in both 2003/04 and 2004/05.
- In both years, satisfaction was somewhat lower among parents than among teachers and school board members.

Percentages of Parents, Teachers and School Board Members Satisfied with Parental Involvement in Decisions about Their Child's Education (new measure for 2005/06)

NEW

Respondent Group	2003/04	2004/05
Parents (ECS – 12)	77%	77%
Teachers	88%	86%
School Board Members	87%	88%
Overall	**84%**	**84%**

Source: Alberta Education: Compustat Consultants Inc. – 2004, 2005.

Notes:

- For all respondent groups, percentages reported are aggregates of:
  - satisfaction with the opportunity for parental involvement in decisions about their child's education,
  - satisfaction with the opportunity for parental involvement in decisions at their child's school,
  - satisfaction that input into decisions at their child's school is considered,
  - the percentage of respondents who reported that parents are involved "A Lot" or "Some" with decisions about their child's education, and
  - the percentage of respondents who reported that parents are involved "A Lot" or "Some" in decisions at their child's school.
- Overall satisfaction rates are the average of satisfaction rates for each respondent group.
- In 2003/04, "school board members" included elected trustees and superintendents, while in 2004/05, it included trustees only.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

Provincial Leadership

TARGET:

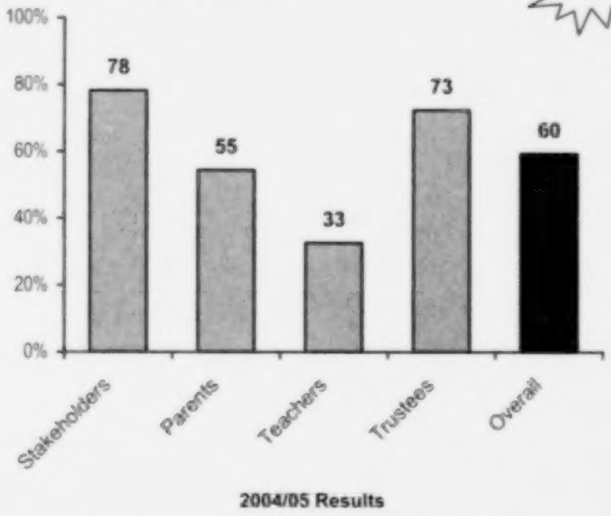
- New measure in Education's 2005-2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Questions on leadership were asked of stakeholders, parents, teachers and school board trustees in the 2004/05 surveys for the first time. Results for 2004/05 for these groups are presented to introduce this new measure.
- The overall result in 2004/05 for all respondent groups was 60%.
- Results were higher for stakeholders and trustees than for parents and teachers.

Parent, Teacher, Stakeholder and School Board Member Satisfaction that the Leadership at the Provincial Level Effectively Supports and Facilitates Teaching and Learning (new measure starting in 2005/06)

NEW



Sources: Alberta Education: Compustat Consultants Inc. for parent, teacher and school board member (trustee) results. Hargroup Management Consultants Inc. for stakeholder results.

Notes:

- The overall result is the average of the rates for each respondent group.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education.

K-12 System Improvement

TARGET:

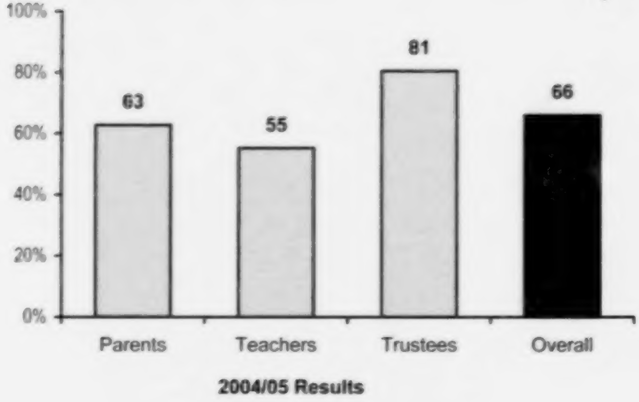
- New measure in Education's 2005-2008 Business Plan – no target set for 2004/05.

NEW MEASURE:

- Parents, teachers and school board trustees were asked for the first time in the 2004/05 surveys whether Alberta's education system has improved, stayed the same or declined. Results in 2004/05 for these groups are presented to introduce this new measure.
- Overall, 66% of respondents (across all groups) indicated that Alberta's education system had improved or stayed the same.
- Results were higher among trustees than for parents and teachers.
- About 10% of all parents and teachers surveyed answered "Don't Know", "Not Applicable" or did not respond, compared to only 5% of trustees.
- When asked a similar question focused on education in their own school (parents and teachers) or jurisdiction (trustees), rather than about the education system in general, opinions were more positive overall at 74%, as well as for each respondent group.

Percentages of Parents, Teachers and School Board Members Indicating that the Alberta K-12 Education System has Improved or Stayed the Same in the Last Three Years (new measure starting in 2005/06)

NEW



Source: Alberta Education: Compustat Consultants Inc. – 2005.

Notes:

- The overall rate is the average of rates for each respondent group.
- See Endnote A, pages 48-50, for information on surveys conducted for Alberta Education

Financial Results and Performance

Overview

The Ministry of Education financial statements represent the financial position of both the Department of Education and Alberta School Foundation Fund. These financial results are for the year ended March 31, 2005. Detailed Financial Statements can be found on pages 59-117.

On November 24, 2004, the government announced that the Ministry of Learning would be reorganized to form the Ministry of Education and the Ministry of Advanced Education. The reorganization allows Alberta Education to focus solely on the needs of all students in the Kindergarten to Grade 12 education system. All financial transactions from the former Ministry of Learning have been restated as if the Ministry of Education and Ministry of Advanced Education had existed separately in the past.

The following chart explains the distribution of the total Ministry expenses by their function.

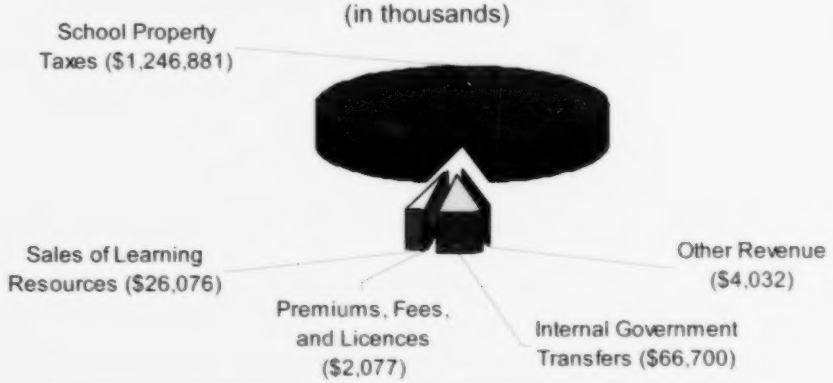
Functional Representation of Expenses (in thousands)

	2004/05 Budget	2004/05 Actuals	2003/04 Actuals
Education	$ 3,943,616	$ 4,038,677	$ 3,764,132
Debt Servicing Costs	3,562	2,827	3,096
Total Ministry Expense	**$ 3,947,178**	**$ 4,041,504**	**$ 3,767,228**

REVENUES

2004/05 Revenues by Source

(in thousands)



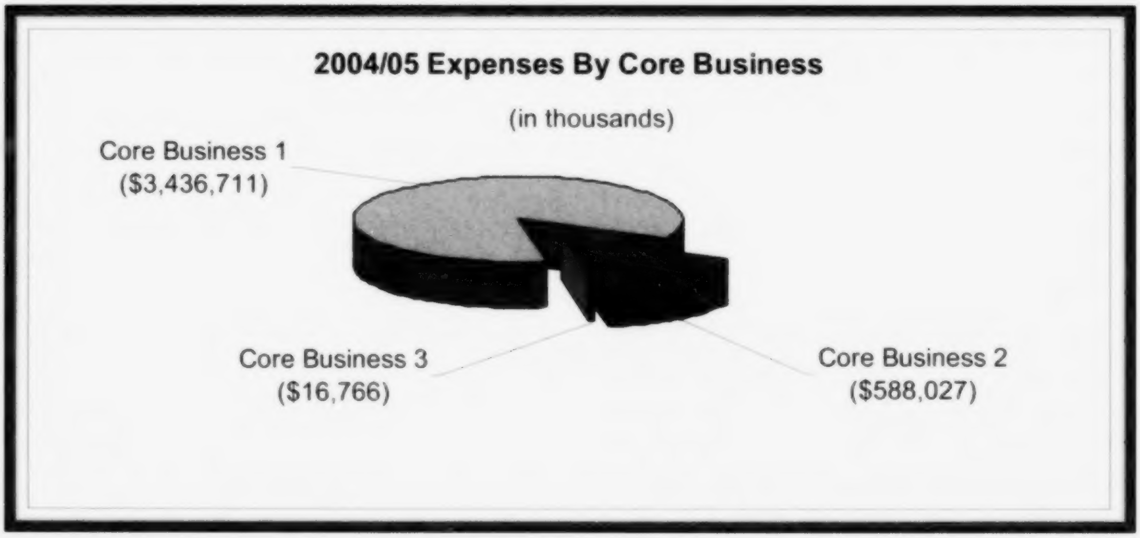
Source: Ministry of Education's Consolidated Statement of Operations on page 61.

Total revenue for the Ministry of Education for 2004/05 was $1.346 billion, representing a $34 million increase over 2003/04 revenue. This increase is primarily due to revenues generated by the school property tax, an increase of $69 million, offset by lower Lottery Fund transfers of $25 million and lower learning and teaching resource sales of $9 million. Although school property tax rates dropped by 2.3% in 2004 and 5% in 2005, increasing property values resulted in an increase in the amount collected. Lottery Funding for school technology upgrading and online curriculum repository totaling approximately $20.4 million in 2003/04 was discontinued in the current fiscal year. The remaining decrease in Lottery Funding was attributed to less funding for high speed networking in 2004/05. The one-time Resources for Classroom Funding allocation in 2003/04 resulted in the reduction in the sales of learning and teaching resources to school jurisdictions and private schools in 2004/05.

EXPENSES BY CORE BUSINESS

Comparison of 2004/05 Expenses by Core Business (in thousands)

Core Business	**2004/05 Budget**	**2004/05 Actuals**	**2003/04 Actuals**
1. Support High Quality Learning Opportunities in the Education System	$ 3,333,338	$ 3,436,711	$ 3,209,665
2. Support Learners to Achieve Excellent Learning Outcomes	597,401	588,027	541,496
3. Support the Continuous Improvement of the Ministry and Education System	16,439	16,766	16,067
Total Ministry Expense	**$ 3,947,178**	**$ 4,041,504**	**$ 3,767,228**



Core Business 1 – Support High Quality Learning Opportunities in the Education System

Programs associated with this core business include the operations of public and private schools, teachers' pension and other basic education programs. In response to the class size recommendation in Alberta's Commission on Learning report, the class size initiative program was added.

Comparison of 2004/05 Actual Expenses to Original Budget

Funding for this core business was approximately $103 million higher than budget in 2004/05. This is primarily related to $52.3 million spent to respond to Alberta's Commission on Learning recommendation to reduce class sizes. The supplementary $52.3 million resulted in the hiring of an additional 1,250 teachers. Through savings realized in other areas of the Renewed Funding Framework, an additional $19 million was spent in operating support to public and separate schools. The Teachers' Pension Plan expense increased $36.7 million primarily due to an actuarial valuation in August 2004 that reflected an increase in teacher benefits over the Teacher Pension Plan's assets. Also, an addition $1.5 million was spent on Accredited Private Schools Support.

Sales of learning and teaching resources decreased by approximately $6 million in 2004/05 in comparison to budget. In 2003/04, school jurisdictions and private schools took advantage of a one-time Resources for Classroom grant of $20 million, which resulted in their spending less on classroom resources in 2004/05. Expenses associated with the purchase and distribution of learning and teaching resources also decreased by approximately $6 million, consistent with the reduction of sales in this dedicated revenue initiative in the current fiscal year.

Comparison of 2004/05 Actual Expenses to 2003/04 Actual Expenses

Expenses for Core Business 1 were approximately $227 million higher in 2004/05 compared to 2003/04.

Operating support to public and separate schools accounted for $113 million of the increase. Increases of 2% in the overall grant rates accounted for $67 million. To address the implementation of the Renewed Funding Framework in 2004/05, $27 million in Stabilization Funding was provided to school jurisdictions. Also, $19 million was spent to complete the additional school year funding announced in November 2003 that addressed the unfunded cost pressures identified by Alberta's Commission on Learning, and the $6 million investment in video-conferencing in the K-12 system to provide greater access to educational opportunities for rural and remote communities.

To reduce class sizes, $52.3 million was spent in 2004/05 for the Class Size Initiative, and resulted in the hiring of an additional 1,250 teachers. Teachers' Pension Plan expense was approximately $58 million more in 2004/05 compared to 2003/04 representing increased contributions and an increase in the liability where the value of teacher's benefits exceed the value of pension plan assets. Funding to Accredited Private Schools increased by $12 million, primarily due to a 2% grant increase and adjustments resulting from the Renewed Funding Framework. Accredited Private Schools funding is based on 60% of the Base Instruction funding rate for school jurisdictions and charter schools, which increased due to the Renewed Funding Framework. Expenses related to Other Basic Education Programs decreased by approximately $8 million primarily due to the reduction in the purchase and distribution of learning and teaching resources, consistent with the reduction in sales of this dedicated revenue initiative between 2004/05 and 2003/04.

Core Business 2 – Support Learners to Achieve Excellent Learning Outcomes

This core business is comprised of supports for students such as transportation, severe disability funding, school food services and English as a Second Language programs, which are funded as part of the Operating Support to Public and Separate Schools. Other provincial initiatives such as the Alberta Initiative for School Improvement, High Speed Networking, Student Health Services and grants for learning and teaching resources also support learners in achieving excellent learning outcomes.

Comparison of 2004/05 Actual Expenses to Original Budget

Funding in support of this core business was approximately $9 million lower than budget 2004/05. A reduction in spending of $4.5 million related to High Speed Networking was due to slower than anticipated progress on the SuperNet project. In addition, expenses related to Students with Severe Disabilities and English as a Second Language programs were $14 million below budget because of lower than anticipated enrolments. In 2004/05, the Learning Resources Credit Allocation was under budget by $2 million due to the reduction in sales of learning and teaching resources. Also, Transportation, and Institutional Support were $1.5 million less than budget. At the same time, Alberta Education provided additional one-time funding of $13 million to the school jurisdictions and private schools to purchase textbooks and other classroom resources, which was not anticipated during the budget process.

Comparison of 2004/05 Actual Expenses to 2003/04 Actual Expenses

Compared to 2003/04, expenses in Core Business 2 have increased by $46 million. Funding for Student Health Services increased by $6 million to a total of $37 million to improve access to and enhance the provision of integrated health and related support services for school children with special health needs. Transportation funding increased in 2004/05 by $11 million due to grant rate increases, special needs enrolment, and the rural/urban transportation reviews which changed transportation density grids in rural areas and adjusted urban population thresholds. Funding for students with Severe Disabilities increased by $29 million because of an approximate 8% rate increase along with a 7% growth increase. English as a Second Language funding increased by $6 million due to rate increases. Funding for Alberta Initiative for School Improvement increased by approximately $4 million. Alberta Education also provided additional one-time funding of $12 million to the school jurisdictions and private schools for classroom resources.

These expenditures were offset by one-time Resources for the Classroom Funding of approximately $20 million provided in 2003/04, which was provided to school jurisdictions and private schools for textbook purchases. Also, due to reduced sales of learning and teaching resources, the expense associated with Learning Resource Credit Allocation decreased by $2 million.

Core Business 3 – Support the Continuous Improvement of the Ministry and Education System

Ministry Support Services represents those divisions that provide services focusing on Ministry-wide operations and that facilitate integration and accountability across all divisions and the learning system.

Spending on Ministry Support Services is comparable between years and within budget, representing 0.4% of the total Ministry of Education's expenses.

Looking Ahead: Opportunities and Challenges for Alberta's Education System

Education is recognized as a key determinant of economic growth, a high standard of living and a healthy and prosperous population. Sustaining a healthy and economically secure population in Alberta requires a continued emphasis on ensuring that children and youth gain a solid basic educational foundation in their formative years. Collaborative work with partners and stakeholders is needed to create the necessary supports to ensure every child learns and every child succeeds. It is most important that children are ready to learn when they start school and that students are supported so that they can be successful in school and complete high school. High school completion represents student acquisition of the confidence, knowledge, skills and attitudes to succeed in work or further study, as well as to participate fully as citizens in a democratic society.

Alberta is recognized nationally and internationally for its excellent education system. Alberta's students consistently rank at the top in national and international tests. To sustain this excellence and continue to improve, Alberta Education, its partners and stakeholders must continue to ensure that the education system anticipates and responds to key changes in the environment in which the system operates as well as to analyze and address key system results.

Providing a Strong Foundation for Children and Youth

Ensuring that children are ready to learn when they start school is crucial for their success and is a shared responsibility of the education system and parents. Children develop at different rates in their first few years of life, but their ability to learn and take full advantage of the education provided depends on their readiness to learn. The education system performs best when it is flexible enough to build on and benefit from the influence of children's diverse backgrounds and when children are provided with the necessary supports to succeed at school. A good start in school provides lasting benefits for every child.

While acquiring a basic education, today's students also need to learn to adapt their skill sets to succeed in the rapidly changing and internationally competitive labour market. As well, students need to acquire the ability and motivation to learn how to learn, learn continuously throughout life, seek new ideas and information, collaborate with others, understand other cultures, speak and read other languages, and know how to apply their knowledge and skills.

Key opportunities and challenges in providing a strong education foundation for children and youth include:

- **Teaching** – Effective teaching is key to student learning and development. While results on national and international tests suggest that Alberta students benefit from excellent teaching in their schools, effort is needed to ensure students are learning what they need to know and to make smoother transitions between grades and subjects. When teachers work together in professional learning communities, there is better integration across the curriculum, which enhances student learning. Moreover, to meet the challenges of the future, teachers must continue to keep their knowledge and skills up to date and instill a love of learning in their students. The education system must enhance opportunities for teachers to work together and for teacher growth and development.
- **Primary programs** – Ensuring students get a solid grounding in basic skills in the early years of their education is critically important, as it is the foundation for further learning. The education system must

sharpen its focus to ensure all students can read, write and perform basic mathematics by the end of Grade 3. The education system needs to ensure a positive social and integrative environment in schools in order to best support the development of early literacy and numeracy skills.

- **Changing composition of the student population** - Given that Aboriginal children, immigrant children and children with special needs account for a growing share of the student population, their learning needs and styles must continue to be assessed and addressed effectively so that all students can develop literacy and numeracy skills in early elementary grades and a love of learning to sustain them through school. Appropriate programming must be provided to maximize student learning. The education system must also demonstrate cultural sensitivity and accommodate the cultural backgrounds of all students.
- **Students' health** - Recognizing the growing concern with childhood obesity and related health issues, which are approaching epidemic proportions in Canada, the education system must provide more opportunities for physical activity for students in school. In addition, the Ministry must continue to emphasize the importance of health and fitness in its work with other ministries, parents and stakeholders to encourage physical activity among school-aged children and to ensure that education and health programs are coordinated to address students' health and fitness needs.
- **High school completion** – Completing high school remains a priority for Alberta's education system as jobs require increasing levels of education and training. Completing high school is a key step in preparing for work and further study, and Alberta's high school completion rate needs improvement. Alberta Education will continue to provide leadership and work with partners and stakeholders to ensure that students achieve this important milestone as part of their preparation for adult life.

Sustaining a High Quality Education System

Education has long been a priority for the provincial government, reflecting public expectations and contributing to Alberta's education system being among the best in the world. Albertans are committed to ensuring that students have the best learning opportunities. Alberta's 2004 *It's Your Future* survey, in which almost 300,000 Albertans participated, identified education as one of the top priorities for the province. This commitment cannot be taken for granted and must be sustained so that a high quality education can continue to be provided to Alberta's children and youth into the province's second century. The education system also must take into account changing ideas of what constitutes a strong foundation, including the new demands of a knowledge-based economy and a technologically driven, rapidly changing and increasingly globalized society.

The opportunities and challenges in sustaining Alberta's high quality K-12 education system include:

- **Curriculum and teaching standards** – What students need to know is not the same today as it was in the past or will be in the future. Alberta Education must continuously review and keep its leading edge curriculum up to date. Work will continue with Faculties of Education of Alberta's post-secondary institutions on the content of teacher preparation programs so that new teachers come into the classroom ready to help students develop the knowledge, skills and attitudes necessary to take full advantage of opportunities to participate in the rapidly changing economy and society.

- **Equitable access** – The education system must ensure students have equitable access to education.

  - **Learning needs of special populations** – Effective programs must continue to be provided to support the learning capabilities of the growing number of Aboriginal students, immigrant students and students with special needs. Alberta Education must continue to invest in programs for special populations of students and work with stakeholders to ensure appropriate programming for these students, to measure and report on their achievement, and use results to make informed program decisions.
  - **Small schools and remote locations** – Students must be able to receive a quality education regardless of where they live and attend school in the province. Recognizing that larger schools and larger communities can provide a greater range of programming, Alberta Education must continue to ensure that all schools can provide a solid basic program and that technology is used effectively to enhance programs provided to students in small schools and remote areas.
- **Information and Communication Technology** – The ability to use information and communication technology is essential for success in the workplace today and in the future. Advancements in these technologies are rapid, which challenges the education system to keep current. Alberta Education will continue to work with partners and stakeholders to ensure that students have opportunities to learn to use information and communication technologies in effective, efficient, ethical and safe ways so they acquire the skills they will need in the future. As technologies evolve, it will be important to demonstrate the benefits for student learning of government's significant investment in technology.
- **Infrastructure** – Schools must be kept in good repair, be accessible to students and be upgraded as needed to support the curriculum, teaching and learning. Recognizing that school facilities are the responsibility of a different ministry and there are competing demands for capital funding, Alberta Education will continue to work with school boards and Alberta Infrastructure and Transportation to ensure school facilities meet student and program needs.
- **Inter-governmental and corporate relationships** – Alberta Education has a long history of leading inter-provincial work in many areas of curriculum and test development. This contributes to the high standards maintained for education within the province and across Canada, as well to the respect Alberta's education system enjoys within Canada and around the world. This work must continue in the future to help sustain the reputation of Alberta's education system. More recently, relationships with other governments and industry have resulted in agreements that realize on-going cost savings for Alberta school boards and in a review of federal funding for band schools. The Ministry must continue to pursue such strategic alliances for the benefit of Alberta students.
- **Public awareness and support** – As the population ages and school enrolments decline, school-aged children are a decreasing proportion of the population, which results in increased competition for resources. To sustain Albertans' commitment to education, investments in education must have demonstrable results and shortfalls in performance must be addressed efficiently and effectively through a comprehensive accountability system. The strengths of the system, improvements in student learning and the benefits to society of a high quality K-12 education system needs to be communicated to the public clearly and regularly. All stakeholders must continue to work together to ensure the quality of the system is maintained and communicated and to ensure all students learn and succeed.

Alberta Education's Business Plan for 2005-2008 contains strategies that will be pursued over the next few years to address these opportunities and challenges through ongoing work with the Ministry's partners and stakeholders.

Endnote A: Notes on Surveys

Public/Client Surveys

Alberta Education regularly commissions telephone surveys of random samples of the Alberta public and key client groups. The purpose of these surveys is to obtain perceptions of how the basic education system is performing in meeting learners' and society's needs and expectations. Professional survey research firms are contracted to conduct the surveys, using trained interviewers and the Computer-Assisted Telephone Interviewing (CATI) system. Survey results are compiled by the survey research firms and provided to the Ministry. Surveys of the public and of parents, high school students, teachers and school board members are conducted annually. The employer survey is conducted every second year.

The following table provides sampling information about the surveys of Albertans conducted for the Ministry in recent years that are reported in this 2004/05 Annual Report. The information includes the respondent groups surveyed, sample sizes and the confidence intervals for results from each survey. Results are considered accurate within the confidence interval 19 times out of 20 (i.e., at a confidence level of 95%). Sampling variation can account for observed differences in results from year to year. See discussion on the use of confidence intervals for interpreting survey results, starting on the next page.

Alberta Education Public/Client Surveys: Sample Sizes and Confidence Intervals

Survey		2000/01	2001/02	2002/03	2003/04	2004/05
Public[1]	Sample	2,154	1,171	2,012	2,003	3,000
	Confidence interval	±2.2%	±2.9%	±2.2%	±2.2%	±1.8%
Parents[2]	Sample	800	800	818	800	800
	Confidence interval	±3.5%	±3.5%	±3.5%	±3.5%	±3.5%
High School Students (Grades 10 – 12)[2]	Sample	800	800	800	800	800
	Confidence interval	±3.5%	±3.5%	±3.5%	±3.5%	±3.5%
Teachers[3]	Sample	--	--	--	801	806
	Confidence interval	--	--	--	±3.5%	±3.5%
School Board Members[3,4]	Sample	--	--	--	487	350
	Confidence interval	--	--	--	±2.2%	±3.2%
Employers	Sample	--	2,003	--	2,000	--
	Confidence interval	--	±2.2%	--	±2.2%	--

Notes:

1. The sample size for the general public was smaller in 2001/02 because of the teachers' labour action. In 2004/05, the public survey sample size was increased from about 2,000 a year to 3,000 to generate more reliable data (i.e., with smaller confidence intervals) for subgroups of respondents.
2. Although parents and high school students have been surveyed for several years, use of results from these surveys for performance measures reporting began with the 2003/04 results.
3. The surveys of teachers and school board members started in 2003/04. In that first year, "School Board Members" included school board trustees and superintendents, while in 2004/05, only trustees were included.
4. Confidence intervals for these samples take into account the small populations from which the samples are selected (i.e., 646 school board trustees and superintendents in 2003/04, and 560 school board trustees in 2004/05).

The survey instruments for these surveys use four-point response scales ("Very satisfied/Satisfied/Dissatisfied/Very dissatisfied" or "Strongly Agree/Agree/Disagree/Strongly Disagree"), depending on the question. Although not asked, "Don't Know" responses and refusals are recorded as well. Results presented are the combined percentages of respondents who were "very satisfied/satisfied" or who "strongly agreed/agreed". The survey results are available online at http://www.education.gov.ab.ca/pubstats/research.asp.

Surveys of Partners and Stakeholders

Alberta Education commissioned a telephone survey of its partners and stakeholders early in 2005. For the purpose of these surveys, partners are representatives of other Alberta government ministries that have worked with Alberta Education on specific projects during the last 12 months, and stakeholders are representatives of K-12 education system stakeholder organizations (e.g., Alberta School Boards Association, the College of Alberta School Superintendents and the Alberta Home and School Councils' Association). Some of these organizations are specifically established by legislation, and all have as their mandate a broad and dedicated interest in the K-12 education system.

These surveys use judgment sampling (a type of non-probability sampling method, for which confidence intervals are not applicable) and are conducted with partner and stakeholder representatives to obtain perceptions about their working relationships with Alberta Education staff. The partner and stakeholder surveys capture all major projects in which partners in other ministries worked with Alberta Education staff and all major stakeholder organizations that have an on-going relationship with the Ministry. Respondents are selected with extensive input from senior Ministry staff who have the greatest contact with senior staff in partner and stakeholder organizations. Stakeholder selection identifies individuals in senior positions in their organizations who have a broad understanding of the learning system and are in the best position to provide meaningful responses. Samples include representatives of the largest school jurisdictions in the province because of their impact on significant numbers of students. The table below indicates the number of partner and stakeholder representatives that were surveyed in 2004/05.

Partner and Stakeholder Surveys: Sample Sizes

Year	Partners	Stakeholders	Total
2004/05	38	23	61

These surveys use four-point scales with no neutral midpoint (e.g., Strongly Agree, Agree, Disagree, Strongly Disagree). Results shown are the percentages of all respondents (both partner and stakeholder representatives) who "strongly agreed/agreed" to the survey questions (i.e., the weighted average). The small samples for these surveys contribute to variation in survey results from year to year. To illustrate the effect of sample size, each respondent in a survey sample of 100 accounts for one percent (1.0%) of the overall result, whereas each respondent in a survey of 1,000 respondents accounts for only one-tenth of one percent (0.1%) of the overall result.

Use of Confidence Intervals for Interpreting Survey Results

When a result is obtained by surveying a random sample of the target population (e.g., the public, parents, teachers), there is a confidence interval associated with the result, which is expressed as a percentage above and below the obtained result. A confidence interval indicates how much variation one might expect from the obtained survey result, as a consequence of sampling and diversity among respondents.

Difference in survey results over time or among respondent groups on the same survey question are reported at the ".05 level of confidence" (i.e., the same results would be obtained in repeated surveys 19 times out of 20).

In Alberta Education's Annual Report, confidence intervals are used to determine:

- whether differences in survey results over time are likely the result of sampling variations, or represent actual change, and
- whether differences among respondent groups to the same question are likely the result of sampling variations or represent actual differences.

When comparing results of survey questions over time or among respondent groups, there is an actual difference between two survey results, 19 times out of 20, if there is no overlap between the confidence intervals of the two observed values. When this is the case, it is acknowledged in the related text that there is an increase, change, or significant difference in survey results over time or among groups. When the confidence intervals of the two observed values do overlap, the observed difference will be due to sampling variation 19 times out of 20, and we cannot conclude that the difference is real (i.e., "significant"). In such cases, the related text indicates that results are similar or stable over time or among groups.

The following hypothetical examples illustrate:

a) two survey results where the confidence intervals overlap and, consequently, it is concluded that there is no real difference between the two survey results, and
b) two survey results where the confidence intervals do not overlap and, consequently, it is concluded that there is a real difference between the two survey results.

a) Where two survey results are 76% and 80%, both with a confidence interval of 2.5%, then the upper limit of the confidence interval for the "76%" result is 78.5%, and the lower limit of the confidence interval of the "80%" result is 77.5%. Since the confidence intervals "overlap", it cannot be concluded that there is a real difference between the two survey results, as the observed difference could be due to sampling variation.

b) If the two survey results are 74% (with a confidence interval of 2.5%) and 80% (also with a confidence interval of 2.5%), the upper limit of the confidence interval for the "74%" result is 76.5%, and the lower limit of the confidence interval of the "80%" result is 77.5%. Since the confidence intervals "do not overlap," it can be concluded that there is a real difference between the two survey results, as sampling variation alone does not account for the observed difference. In such cases, the related text indicates that there is a significant difference over time (i.e., an increase or decrease) or between groups.

Endnote B: Technical Note on Targets and Trend Lines

Assessing Results Over Time

Changes in results are assessed over time in the discussion of each measure. A change (increase or decrease) is considered slight if it differs 1-2 percentage points from results of the comparison year(s). As the confidence interval is taken into account in assessing results on survey measures that use a probability sampling method (see Endnote A), the change is considered slight for those measures when the result is 1-2 percentage points different from the comparison year(s) above or below the confidence interval.

Assessing Targets

Performance targets set expectations for results and are the basis for planning improvements and assessing results. They are an important way to gauge whether the organization is improving or falling behind in obtaining desired results in key areas. Targets clearly establish desired levels of performance to be attained by a certain time. Targets are quantifiable and expressed in numerical terms, such as percentages or ratios. They are used as a key tool to drive, measure, improve and control performance.

Performance on a measure is considered to have met the target if the result is at or above 95% of the target value. For example, if the result is 77% on a measure with a target of 80%, then the target has been met since the performance (77%) represents 96.3% of the target. As another example, if the result on the same measure is 75%, then the target has not been met since 75% represents only 93.8% of the target.

This method of assessing performance represents a high level of achievement in relation to the target, i.e., clearing a hurdle. The 95% rule acknowledges the variability in data as well as the complexities of the learning system. In such an environment, targets are general objectives rather than specific values, and achieving 95% of the target value indicates results are "in the ball park."

The 95% rule is not used to assess achievement of targets for provincial achievement tests, which are administered to students in grades 3, 6 and 9. It does not apply to the results for students who wrote the tests as that set of results represents the achievement of those students and there is negligible variability. The rule also does not apply to the results for all students in grades 3, 6 and 9 as those results are the minimum possible and under-represent the true results for the population had all students in the grade taken the test. Instead, as a difference of four-tenths of a percentage point (0.4%) is considered significant for these results, targets are considered met if the result is within four-tenths of a percentage point (0.4%) of the target.

Trend Lines

Trend lines are an aid to interpreting the results for measures reported in the Annual Report. Trend lines augment data interpretation techniques already in use such as the calculation of confidence intervals, which is used to determine the significance of a change between two survey results (either over time, or among groups). Trend lines provide a useful method of understanding the year-to-year fluctuations over the longer term, since most measures have data spanning three or more years. Trend lines shift the focus from smaller year-to-year changes to providing information about the longer-term direction of the data and whether or not it is tracking towards the performance target for the measures with targets.

Comments in the text on results with at least three data points are supported by trend lines. The type of trend line used is selected based on an informed interpretation of the data series underlying the trend line.

Logarithmic trend lines are appropriate for proportional data (i.e., data expressed as percentages of a whole, and therefore ranging between 0% and 100%), such as the performance measures in this report. A logarithmic trend line is a best-fit straight line that is most useful when the rate of change in the data increases or decreases quickly, then levels out. The leveling out can be seen in the results for some measures in the report, along with examples of year-to-year increases or decreases on other measures.

A logarithmic trend line is calculated using the following formula:

$Y = c\,ln x + b$ where c and b are constants, and ln is the natural logarithm function.

Endnote C: Methodology for Performance Measures

Employment Rates of Albertans 25-34 (High School Graduates Only)

Statistics Canada's Labour Force Survey is a monthly Canada-wide survey of a representative sample of households. Data are collected about all members of the household included in the survey who are 15 years of age or older. The employment rates for Alberta 25-34 year-olds whose highest level of education is high school completion are presented as they represent recent outputs of Alberta's K-12 school system. The employment rates are annual aggregates for the calendar year. Specifically excluded from the Labour Force Survey are persons living on Indian reserves and inmates of prisons. As these groups, which represent less than 2% of the population age 15+, typically have lower employment levels than the total population, employment rates for 25-34 year-olds whose highest level of education is high school completion based on Labour Force Survey data may be slightly higher than the rate would be for the total population of Albertans aged 25-34 whose highest level of education is high school completion.

The Canadian sample size for the monthly Labour Force Survey has been approximately 54,000 households over the reporting period. Alberta's sample size corresponds to its share of the population. In 2004, between 5,180 and 5,354 Alberta households were surveyed each month (an average of 5,258 per month), with information provided on between 10,421 and 10,701 individuals per month. Of these, about 1,850-1,940 individuals each month are 25-34 years old. The coefficient of variation (the standard error as a percentage of the reported result) is 2.5%.

Additional information on the Labour Force Survey methodology and interpreting coefficients of variation (a measure of sampling variability) is available on pages 18-25 of the *Guide to Labour Force Survey, Revised February 2005*. Catalogue no. 71-543-GIE (Revised, February 2005), available online from Statistics Canada: www.statcan.ca. This document provides the following definitions which apply to the data reported:

- **Employment rate:** the number employed in a particular group expressed as a percentage of the population for that group (page 11).
- **Participation rate:** the number of persons in a group that are in the labour force (i.e., either employed or looking for work) expressed as a percentage of the population for that group (page 14). Examples of persons not in the labour force are homemakers and full-time students.
- **Unemployment rate:** the number unemployed in a group expressed as a percentage of the number of persons in the labour force for that group (page 17).

Annual Dropout Rate of Students Aged 14-18

The annual dropout rate reports the percentages of Alberta students aged 14-18 who, in the following school year:

- are not enrolled in the K-12 system;
- are not enrolled in a post-secondary institution in Alberta;
- are not registered in an apprenticeship program in Alberta;
- have not completed high school.

The annual dropout rate is derived from data in Alberta Education and Advanced Education Systems as of March 31, 2005, and includes adjustments for attrition using estimates derived from Statistics Canada's *Annual Demographic Statistics 2004 (R) (CD-ROM)*.

Students whose education is not the responsibility of the provincial government, as well as students who are identified as having a severe cognitive disability or a severe multiple disability are not included in the annual dropout rate.

A detailed description of the methodology used to calculate the annual dropout rate is available online at http://www.education.gov.ab.ca/k_12/completion/DropRet.asp.

Provincial Achievement Tests

Students in Grades 3, 6 and 9 write provincial achievement tests annually in language arts and mathematics while Grade 6 and 9 students also write tests in science and social studies. The achievement test results for Grades 3, 6 and 9 provide information on how well students are meeting provincial standards in the core academic subjects. Tests are developed and administered by educators and are based on expectations in the provincial curriculum. Results are reported in relation to the acceptable standard and the standard of excellence. A student achieving the acceptable standard in a specific grade shows an adequate understanding of the core knowledge and adequate basic skills essential to that course. A student achieving the standard of excellence consistently shows a deeper understanding of the concepts of the course – an ability to integrate information and evaluate it from various points of view. For each achievement test, the cut scores for the acceptable standard and the standard of excellence are set initially by a standard-setting committee of about 20 teachers using the Modified Angoff Standard Setting Procedure. This procedure uses teachers' judgment to determine how many items a student must answer correctly to achieve each standard. In subsequent years, the cut scores for each test are adjusted through test equating. This ensures that the standards remain constant even if test difficulty varies slightly from year to year. Whenever curriculum is revised, the standard-setting process is done again.

Given the large number of students in each grade, approximately 40,000, differences in results from year to year of more than 0.4 percentage points on each test are considered significant. Results on provincial achievement tests are calculated and presented in two ways:

- on the basis of student writing the achievement tests in Grades 3, 6 and 9 who achieved the standards; and
- on the basis of total enrolment in each grade who demonstrated the standards.

Not all students write the provincial achievement tests. Achievement test results are not available for students who were absent, who were excused from writing by the superintendent (because participation would be harmful to the student, or the student could not respond to the test instrument), who wrote but whose results were withheld, or who wrote only one part of a language arts test. It is possible that some of these students, under different circumstances, could have demonstrated achievement of standards on the test. Participation rates are calculated by dividing the number of students who wrote the test by the sum of total enrolment in grade plus the ungraded students who are in the corresponding year of schooling.

Provincial combined results present the unweighted averages based on percentages achieving standards as the populations are relatively stable from year to year and grade to grade. Test results and participation are recorded and aggregated in Ministry systems. Provincial, school authority and school results *(Achievement Test Multi-Year Reports 2001-2005)*, are available on Alberta Education's website at: www.education.gov.ab.ca/k_12/testing/default.asp

Diploma Examinations

Examinations are administered in all diploma examination courses in January, June and August each year. Examinations are administered in three courses in both November and April, for a total of six courses. Results on diploma examinations show how well students are meeting provincial expectations as outlined in the Programs of Study. Examination items are developed and cut scores established by committees of teachers. The examination design is vetted through committees of stakeholders, and by a standard-setting committee of teachers.

A test equating initiative is being phased in for the Diploma Examination Program so that over time examinations are consistent and the results are comparable. Starting in the 2003/04 school year with Social Studies 30 and 33, the multiple-choice portion of the examinations contains a set of items common to administrations in subsequent years. By comparing the achievement of students writing in January 2004 with those writing in any subsequent administration on the common items and on the unique items, Alberta Education is able to determine whether or not the examinations were of equal difficulty. Student scores on the subsequent examinations can then be equated back to the January 2004 baseline examinations to remove any influence that differences in examination difficulty may have on student scores. A similar equating process was implemented for Pure Mathematics 30, Chemistry 30 and Physics 30 starting in January 2005. Through equating, all students, regardless of which examination they have written, receive test scores that are based on an identical standard and, consequently, the test results for a particular diploma examination course can be directly compared over time.

Diploma examination results are reported in relation to the acceptable standard and the standard of excellence. A student achieving the acceptable standard demonstrates that s/he has met the basic requirements of the course. A mark of 50% on the examination represents the acceptable standard in a diploma examination course. A mark of 80% on the examination represents the standard of excellence and indicates that the student has demonstrated performance significantly beyond the minimum requirements of the course. For student marks in diploma examination courses, the diploma examination mark is worth 50% of the final mark in a course and the school-awarded mark contributes the other 50%.

Participation in diploma examination courses is presented in the table "Percentages of Grade 12 Students Completing Diploma Examination Courses. This participation rate is defined as the percentages of students who received a final mark in each diploma examination course in their third year of high school. This information is an indicator of participation, as the course enrolment is representative of the group of students who typically take the course. The proportion of Grade 12 students completing diploma examination courses varies from year to year and from school to school depending on course enrolments and student success in achieving course requirements.

Diploma examination results and participation in diploma examination courses are recorded and aggregated in Ministry systems. The provincial reports (*The Diploma Examination Multiyear Reports 2001-2005)* are available online at: www.learning.gov.ab.ca/k_12/testing/multipublic/dip/. These multi-year reports contain five years' of data extracted each year from live systems, which are updated regularly. As a result of the updating online, the prior years' results in the multi-year reports may differ from prior years' results in the Annual Report, which presents the previously published results.

Rutherford Scholarship Eligibility Rate of Grade 12 Students

The Rutherford Scholarship eligibility rate reports the percentages of grade 12 students in public, separate, francophone, charter, and private schools whose marks in specified courses in grades 10, 11, and/or 12 qualify them to receive a Rutherford Scholarship should they decide to attend a post-secondary institution.

Students whose education is not the responsibility of the provincial government, as well as students who are identified as having a severe cognitive or a severe multiple disability are not included in the Rutherford Scholarship rate.

Data for this measure are from Alberta Education and Alberta Advanced Education systems as of March 31, 2005. A more detailed description of the methodology is available online at: www.education.gov.ab.ca/k_12/completion/Rutherford.asp

High School Completion Rates

The high school completion rate reports the percentages of Alberta students who, within three, four, and five years of entering Grade 10:

- received a high school diploma, equivalency diploma (GED) or Integrated Occupational Program (IOP) certificate; or
- entered an Alberta post-secondary program or an apprenticeship program; or
- earned credits in five Grade 12 courses, including one language arts diploma examination course and three other diploma examination courses.

The tracking of Grade 10 students excludes some groups of students, such as those identified as having a severe cognitive disability or a severe multiple disability and students whose education is not the responsibility of the provincial government. Data for this measure are from Alberta Education and Alberta Advanced Education systems, with attrition adjustments using estimates from Statistics Canada's *Annual Demographic Statistics, 2004 (R)* (CD-ROM). In particular, the Grade 10 cohorts are based on the March 2005 update of Alberta Education's Corporate Data Warehouse. A more detailed description of the methodology and high school completion rates for Alberta school jurisdictions are available online at www.education.gov.ab.ca/k_12/completion/.

Educational Attainment of Albertans Aged 25-34 (high school completion)

The Labour Force Survey is a monthly Canada-wide survey of a representative sample of households. Data are collected about all members of the household who are 15 years of age or older. The high school completion rate for 25-34 year-olds is presented as it represents recent outputs of Alberta's education system.

The Canadian sample size for the monthly Labour Force Survey has been approximately 54,000 households over the reporting period. Alberta's sample size corresponds to its share of the population. In 2004, between 5,180 and 5,354 Alberta households were surveyed each month (an average of 5,258 per month), with information provided on between 10,421 and 10,701 individuals per month (an average of 10,546 per month). Of these, about 1,850-1,940 individuals each month are 25-34 years old.

Excluded from the Labour Force Survey are persons living on Indian reserves, inmates of prisons, and members of the military. As these groups, which represent about 2% of the population age 15+, typically have lower education levels than the total population, educational attainment rates based on Labour Force Survey data may be slightly higher than the rate would be for the total population age 15+.

The educational attainment rates presented are annual aggregates for the calendar year. The coefficient of variation, or CV, (the standard error as a percentage of the reported result) for the Labour Force Survey is 1.0% for both the Alberta and the Canadian data. Additional information on the Labour Force Survey methodology and interpreting CVs is available on pages 18-25 of *Guide to the Labour Force Survey*, Catalogue no. 71-543-GIE (Revised, February 2005), available on-line from Statistics Canada: http://www.statcan.ca.

Participation in Early Childhood Services (ECS) Programs

The participation rate in ECS programs is the percentage of all Alberta Grade 1 students in the current school year who had an Alberta ECS registration in any prior school year. The calculation is adjusted to account for Grade 1 students who entered Alberta from another province or country in the previous year, and thus would not have attended ECS in Alberta. In-migration data include the estimated number of five-year-old immigrants and inter-provincial in-migrants as of July 1st of the calendar year. The Grade 1 and ECS registration data are from Ministry systems. The in-migration estimates are from Statistics Canada, *Annual Demographic Statistics, 2004* CD-ROM (R).

High School to Post-Secondary Transition Rates

The high school to post-secondary transition rate reports the percentages of Alberta students who, within four and six years of starting Grade 10:

- enrolled in a credit program, part-time or full-time, in an Alberta post-secondary institution;
- registered in an apprenticeship program other than the Registered Apprenticeship Program for high school students.

Students are tracked using data from Alberta Education and Alberta Advanced Education systems. In particular, the Grade 10 cohorts are based on the March 2005 update of Alberta Education's Corporate

Data Warehouse. The high school to post-secondary transition rate includes adjustments for attrition and for attendance at post-secondary institutions out-of-province. Attrition adjustments are based on estimates from Statistics Canada's *Annual Demographic Statistics 2004 (R) (CD-ROM)*. The estimate of Alberta students attending post secondary institutions out-of-province uses aggregate student counts from Alberta Advanced Education's enrolment and Students Finance systems.

Students whose education is not the responsibility of the provincial government, as well as students who are identified as having cognitive disabilities or a severe multiple disability are not reported on in the high school to post-secondary transition rate.

Prior years' results have been restated as a result of revising the calculation of the out of province post-secondary attendance estimate.

A more detailed description of the methodology is available online at:
www.education.gov.ab.ca/k_12/completion/Transition.asp

8. Financial Information

MINISTRY OF EDUCATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2005

Auditor's Report

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Consolidated Statement of Financial Position

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AUDITOR
GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statement of financial position of the Ministry of Education as at March 31, 2005 and the consolidated statements of operations and cash flows for the year then ended. These consolidated financial statements are the responsibility of the management of the Ministry. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

As disclosed in Note 2, the recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. PSAB has recently revised the definition of the Government reporting entity for implementation for years commencing on or after April 1, 2005. In Note 2(a), management has stated when it intends to comply with PSAB's recommendations. If all organizations referred to in Note 2(a) had been included in the accompanying financial statements, I estimate that assets and liabilities would increase by approximately $3.7 billion and $1 billion respectively as at March 31, 2005. This estimate is based on information from their most recent audited financial statements.

Fred J Dunn
FCA
Auditor General

Edmonton, Alberta
May 20, 2005

MINISTRY OF EDUCATION
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2005

	(in thousands)		
	2005		2004
	Budget	Actual	Actual
	(Schedule 3)		(Restated, see Note 3)
Revenues (Schedule 1)			
Internal Government Transfers	$ 66,700	$ 66,700	$ 92,100
School Property Taxes	1,233,000	1,246,881	1,177,717
Sales of Learning Resources	32,040	26,076	35,136
Premiums, Fees and Licences	2,210	2,077	3,118
Other Revenue	1,700	4,032	3,683
	1,335,650	1,345,766	1,311,754
Expenses - Directly Incurred (Schedule 2)			
Operating Support to Public and Separate Schools	3,357,731	3,359,561	3,194,141
Teachers' Pensions (Note 13)	406,664	443,328	384,730
Accredited Private Schools Support	121,240	122,821	110,876
Provincial Initiatives – Class Size	-	52,298	-
Provincial Initiatives - Other	120,637	126,325	127,122
Other Basic Education Programs	33,239	27,667	35,243
	4,039,511	4,132,000	3,852,112
Less: Property Tax Support to Opted-Out Separate School Boards (Schedule 4)	(171,000)	(169,249)	(163,363)
Total Ministry Support to Basic Education	3,868,511	3,962,751	3,688,749
Ministry Support Services	20,868	20,936	19,785
Program Delivery Support	54,237	54,990	55,598
Total Expenses Before Debt Servicing Costs	3,943,616	4,038,677	3,764,132
Debt Servicing Costs			
Alberta School Foundation Fund	3,562	2,827	3,096
Ministry Expense	3,947,178	4,041,504	3,767,228
Loss (Gain) on Disposal of Tangible Capital Assets	-	-	7
Ministry Net Operating Results	$ (2,611,528)	$ (2,695,738)	$ (2,455,481)

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF EDUCATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2005

	(in thousands)			
		2005		2004 (Restated, see Note 3)
Assets				
Cash (Note 4)	$	48,054	$	66,912
Accounts Receivable (Note 5)		39,758		75,832
Inventory		8,025		7,860
Tangible Capital Assets (Note 6)		8,116		7,645
	$	103,953	$	158,249
Liabilities				
Accounts Payable and Accrued Liabilities (Note 7)	$	32,969	$	49,168
Allowance for Assessment Adjustments and Appeals		1,328		1,688
Teachers' Pension Obligation (Note 13)		4,263,479		4,094,145
		4,297,776		4,145,001
Net Liabilities				
Net Liabilities at Beginning of Year		(3,986,752)		(3,909,889)
Net Operating Results		(2,695,738)		(2,455,481)
Net Transfer from General Revenues		2,488,667		2,378,618
Net Liabilities at End of Year		(4,193,823)		(3,986,752)
	$	103,953	$	158,249
Net Liabilities at End of Year	$	(4,193,823)	$	(3,986,752)
Less Teachers' Pension Obligation		4,263,479		4,094,145
Net Assets Excluding Teachers' Pension Obligation	$	69,656	$	107,393

The accompanying notes and schedules are part of these financial statements.

MINISTRY OF EDUCATION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2005

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Operating Transactions		
Net Operating Results	$ (2,695,738)	$ (2,455,481)
Non-cash items included in Net Operating Results		
Amortization	1,083	712
Loss (Gain) on Disposal of Tangible Capital Assets	-	7
Valuation Adjustments		
- Provision for Teachers' Pension	169,334	129,573
- Provision for Doubtful Accounts	69	15
- Provision for Vacation Pay	113	379
	(2,525,139)	(2,324,795)
Decrease (Increase) in Accounts Receivable	36,005	(40,344)
(Increase) Decrease in Inventory	(165)	(1,452)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(16,312)	7,185
(Decrease) Increase in Allowance for Assessment Adjustments and Appeals	(360)	(942)
Cash Applied to Operating Transactions	(2,505,971)	(2,360,348)
Capital Transactions		
Disposal of Tangible Capital Assets	-	48
Net Tangible Capital Assets Transferred to (from) other Ministries	-	50
Acquisition of Tangible Capital Assets (Schedule 5)	(1,554)	(4,371)
Cash Applied to Capital Transactions	(1,554)	(4,273)
Financing Transactions		
Net Transfer from General Revenues	2,488,667	2,378,618
Increase (Decrease) in Cash	(18,858)	13,997
Cash, Beginning of Year	66,912	52,915
Cash, End of Year	$ 48,054	$ 66,912

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Education has been designated as responsible for various Acts by the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000 and its regulations. To fulfill these responsibilities, the Minister administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of Education.

Organization	Authority
The Department of Education	*Government Organization Act*
Alberta School Foundation Fund	*School Act*

The mission of the Ministry of Education, through its leadership and work with stakeholders, is to ensure that students are prepared for lifelong learning, work and citizenship so that they can become self-reliant, responsible and contributing members of a democratic, knowledge-based and prosperous society.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries.

(a) Reporting Entity

The reporting entity is the Ministry of Education, for which the Minister of Education is accountable. These consolidated financial statements include the activities of the Department of Education and the Alberta School Foundation Fund. The Ministry provides funding to public, separate and private school boards. Details on balances and transactions with these entities are disclosed in Note 5 and Schedules 2 and 4. The activities of these organizations are not included in these financial statements.

The Public Sector Accounting Board has released guidance that controlled entities are to be included and how they are to be included effective April 1, 2005.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

Reporting Entity (continued)

This may affect how the Province reports accountable organizations such as school boards depending on the results of the current review being conducted to determine whether control exists. The government has agreed in principle to include the financial statements of these entities commencing from fiscal year beginning April 1, 2006, if it is determined that control exists.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue and included in accounts payable and accrued liabilities.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries and supplies, directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year and additional employer contributions for service relating to prior years.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay and teachers' pension.

Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

Expenses (continued)

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 7.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale. Inventories held for resale are valued at the lower of cost, determined on a weighted average basis, or estimated net realizable value.

Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000 (2004 - $15,000). All land is capitalized.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end. They include an estimate of future payments for property assessment appeals and adjustments and the Province's share of the unfunded pension liability associated with the Teachers' Pension Plan entitlements.

Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the Ministry and its liabilities. Included in the total net liabilities is net assets of the Alberta School Foundation Fund totaling $56,442,000 (2004 - $78,048,000).

The net assets of the Alberta School Foundation Fund are restricted by section 176(1) of the *School Act* in that money in the Fund is payable only to school boards except when a payment to General Revenues is required to repay advances and make interest payments, or to refund municipalities for overpayment.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

Measurement Uncertainty

Measurement uncertainty exists when there is significant variance between the amount recognized in the financial statements and another reasonably possible amount. The teachers' pension obligation amounting to $4,263,479,000 (2004 - $4,094,145,000) is subject to measurement uncertainty.

The measurement uncertainty for the teachers' pension obligation arises because actual experience may vary from the assumptions used in the calculation.

Note 13 discloses information on the Teachers' Pension Plan.

NOTE 3 REORGANIZATION

The Ministry of Education was established as a result of restructuring of government ministries announced on November 24, 2004 and other transfer of responsibilities to and from other departments. Comparatives for 2004 have been restated as if the Ministry had always been assigned with its current responsibilities. Net assets/liabilities on March 31, 2003 is made up as follows:

	(in thousands)
Transferred from Ministry of Learning	$ 3,909,889
Net liabilities at March 31, 2003	$ 3,909,889

NOTE 4 CASH

The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. As at March 31, 2005, securities held by the Fund have an average effective market yield of 2.79 per cent per annum (March 31, 2004: 2.11 per cent per annum).

NOTE 5 ACCOUNTS RECEIVABLE

	(in thousands) 2005	(in thousands) 2004 (Restated, see Note 3)
Government of Canada	$ 11,638	$ 5,745
School Boards	5,977	44,129
Requisitions from Municipalities	13,620	23,006
Other	8,523	2,952
	$ 39,758	$ 75,832

Accounts receivable are non-interest bearing, unsecured and reported at their net realizable value.

NOTE 6 TANGIBLE CAPITAL ASSETS

	(in thousands)				
		2005			2004
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value (Restated, see Note 3)
Equipment (a)	3-10 years	$ 3,186	$ 1,195	$ 1,991	$ 1,940
Computer Hardware and Software	5 years	13,184	7,059	6,125	5,705
		$ 16,370	$ 8,254	$ 8,116	$ 7,645

(a) Equipment includes office equipment and furniture.

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		(in thousands) 2005	(in thousands) 2004 (Restated, see Note 3)
Accounts Payable		$ 4,786	$ 6,973
Accrued Liabilities	- vacation	3,942	3,829
	- other	14,020	28,193
Advances from Government of Canada		2,127	2,206
Unearned Revenue		8,094	7,967
		$ 32,969	$ 49,168

NOTE 8 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. The fair value of the allowance for assessment adjustments and appeals is not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair values with sufficient reliability.

NOTE 9 CONTRACTUAL OBLIGATIONS

(in thousands)

	2005	2004 (Restated, see Note 3)
Grants	$ 450	$ 916
EDP Development	33	-
Service Contracts	8,559	6,376
Long-term leases	1,937	2,421
	$ 10,979	$ 9,713

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grants	EDP Development	Service Contracts	Long-Term Leases	Total
2006	$ 150	$ 33	$ 8,537	$ 372	$ 9,092
2007	150	-	22	362	534
2008	150	-	-	335	485
2009	-	-	-	232	232
2010	-	-	-	232	232
Thereafter	-	-	-	404	404
	$ 450	$ 33	$ 8,559	$ 1,937	$ 10,979

NOTE 10 CONTINGENT LIABILITIES

(in thousands)

The Ministry has entered into indemnity agreements with school jurisdictions that have been named in residential school claims. The resulting loss, if any, from these indemnity agreements cannot be determined.

At March 31, 2005, the Ministry is a defendant in two legal claims (2004 – two legal claims). One of these claims has a specified amount totaling $94,350 and the remaining one has no specified amount (2004 – one claim with a specified amount of $94,350 and one with no specified amount). The one claim amounting to $94,350 (2004 – one claim amounting to $94,350) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

NOTE 11 TRUST FUNDS UNDER ADMINISTRATION

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Ministry's financial statements.

At March 31, 2005, trust funds under administration were as follows:

	(in thousands)			
	2005			2004
	Total Assets	Total Liabilities	Net Assets (Net Liabilities)	Net Assets (Net Liabilities)
				(Restated, see Note 3)
Education Endowment Fund	$ 157	$ -	$ 157	$ 157
Teachers' Pension Plan Funds	3,161,000	9,999,000	(6,838,000)	(6,102,000)
	$ 3,161,157	$ 9,999,000	$ (6,837,843)	$ (6,101,843)

NOTE 12 PAYMENTS UNDER AGREEMENT

(in thousands)

The Ministry has entered into several agreements to deliver programs on behalf of third parties, which include the Government of Canada. Costs incurred under these agreements are made by the Ministry under authority of the *Financial Administration Act*, section 25. Accounts receivable includes $11,638 (2004 – $5,105) and accounts payable and accrued liabilities include $2,145 (2004 - $2,206) relating to payments under agreement.

NOTE 12 PAYMENTS UNDER AGREEMENT (CONTINUED)

Amounts paid under agreements on behalf of third parties are as follows:

	(in thousands) 2005	(in thousands) 2004 (Restated, see Note 3)
Government of Canada		
French Minority Language Education and French Second Language Instruction	$ 6,943	$ 7,227
South Africa Teacher Development Program	2,553	1,139
Alberta School Boards		
International Student Program	-	4
Western Provinces		
French Math Resources	-	100
	$ 9,496	$ 8,470

NOTE 13 DEFINED BENEFIT PLANS

Teachers' Pension Plan

The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan. The Alberta Teachers' Retirement Fund Board operates under the authority of the *Teachers' Pension Plans Act*.

The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

The plan's pension obligation is based upon actuarial valuations performed at least triennially using the projected benefit method prorated on service. The latest actuarial valuation was performed on August 31, 2004. The valuation indicated a deficiency of net assets over the actuarial present value of accrued benefits. The unfunded liability was extrapolated to March 31, 2005 and the following information relates to the government portion of the pension plan:

	(in millions) 2005	(in millions) 2004
Actuarial asset value	$ 1,524	$ 1,409
Actuarial liabilities	(6,001)	(5,447)
Unamortized deferred (gain)/loss	214	(56)
Unfunded liability	$ (4,263)	$ (4,094)

The valuation and extrapolation were based upon economic assumptions, including a 7.25 per cent per annum long-term rate of return on fund assets (7.5 per cent per annum in 2004) and price inflation of 3.0 per cent per annum (same in 2004).

NOTE 13 DEFINED BENEFIT PLANS (CONTINUED)

The actual return on plan assets was 11.5 per cent for the period ending August 31, 2004. Demographic assumptions used in the valuation reflect the experience of the plan.

The assumptions used in the valuation and extrapolation are based on the Alberta Teachers' Retirement Fund Board management's best estimates of future events. The plan's future experience will vary from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employees.

	(in millions)	
For the fiscal year:	2005	2004
		No Actuarial Valuation
Deferred loss on plan assets	$ 25	$ -
Deferred loss on accrued benefit obligation	243	-
Total deferred loss for the year	$ 268	$ -
Amortization of net actuarial gain	$ 2	$ 29

Under the *Teachers' Pension Plans Act*, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 per cent by the Province and 32.65 per cent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 per cent of the post- 1992 unfunded liability, any current service costs and certain cost-of-living benefits. The *Teachers' Pension Plan Act* provides that payment of all benefits for service credited prior to September 1, 1992 is guaranteed by the Province.

In the Statement of Operations, the amount of contributions paid by the Province towards current service in the Alberta Teachers' Pension Plan is included in voted expenses while amounts for the unfunded liability are shown as statutory expense.

	(in millions)	
	2005	2004
Current service contribution	$ 149	$ 135
Past service contribution	125	120
Pension valuation adjustment	169	130

NOTE 13 DEFINED BENEFIT PLANS (CONTINUED)

The valuation adjustment has been recorded to recognize the estimated impact on the obligation of the estimated changes in the value of the plan's assets and amortization of experience gains and losses.

The financial statements of the Alberta Teachers' Retirement Fund Board provide further information on this defined benefit plan.

Other Pension Plans
(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,585 for the year ended March 31, 2005 (2004 - $3,216).

At December 31, 2004, the Management Employees Pension Plan reported a deficiency of $268,101 (2003 – $290,014) and the Public Service Pension Plan reported a deficiency of $450,068 (2003 – $584,213). At December 31, 2004 the Supplementary Retirement Plan for Public Service Managers had a surplus of $9,404 (2003 – $9,312).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2005, the Bargaining Unit Plan reported an actuarial deficiency of $11,817 (2004 – $9,766) and the Management Opted Out and Excluded Plan an actuarial surplus of $3,208 (2004 – $1,298). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 14 COMPARATIVE FIGURES

Certain 2004 figures have been reclassified to conform to the 2005 presentation.

NOTE 15 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

MINISTRY OF EDUCATION
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

Schedule 1

Revenues	(in thousands)		
	2005		2004
	Budget	Actual	Actual (Restated, see Note 3)
Provincial Education Property Taxes	$ 1,233,000	$ 1,246,881	$ 1,177,717
Internal Government Transfers			
Lottery Fund	66,700	66,700	92,100
Sales of Learning Resources			
Sales of Learning Resources	32,040	26,076	35,136
Premiums, Fees and Licences			
High School Transcripts	1,104	898	933
Teacher Certificate Fees	650	745	734
Industry Canada Grassroots Project	-	-	960
Diploma Exam Rewrite Fees	456	434	491
	2,210	2,077	3,118
Other Revenue			
Investment Income	500	423	490
Refunds of Expenditure	1,200	3,588	3,181
Miscellaneous	-	21	12
	1,700	4,032	3,683
Total Revenues	$ 1,335,650	$ 1,345,766	$ 1,311,754

Schedule 2

Expenses - Directly Incurred by Object

	(in thousands)		
	2005		2004
	Budget	Actual	Actual (Restated, see Note 3)
Grants			
School Boards (Schedule 4)	$ 3,255,838	$ 3,340,318	$ 3,129,193
Teachers' Pension			
Current Service	149,847	149,252	135,361
Past Service	124,817	124,742	119,795
Private Schools	121,240	125,589	115,908
Other	11,355	10,514	9,666
	3,663,097	3,750,415	3,509,923
Salaries, Wages and Employee Benefits	47,294	49,864	44,111
Supplies and Services	100,311	67,461	79,415
Amortization of Tangible Capital Assets	879	1,083	712
Valuation Adjustments	132,000	169,516	129,965
Other	3,597	3,282	3,214
	3,947,178	4,041,621	3,767,340
Less:			
Recoveries from Support Service Arrangements with Related Parties (a)	-	(117)	(112)
	$ 3,947,178	$ 4,041,504	$ 3,767,228

(a) The Ministry provides financial, human resource and administrative services to the Ministry of International and Intergovernmental Relations $55 (2004 - $53) and the Ministry of Aboriginal Affairs and Northern Development $62 (2004 - $59).

Schedule 3

Budget

(in thousands)

	2004-2005 Estimates	Adjustments (a)	2004-2005 Budget	2005 Authorized Supplementary (b)	2004-2005 Authorized Budget
Revenues					
Internal Government Transfers	$ 66,700	$ -	$ 66,700	$ -	$ 66,700
School Property Taxes	1,233,000	-	1,233,000	-	1,233,000
Sales of Learning Resources	32,040	-	32,040	-	32,040
Premiums, Fees and Licences	2,210	-	2,210	220	2,430
Other Revenue	1,700	-	1,700	-	1,700
	1,335,650	-	1,335,650	220	1,335,870
Expenses - Directly Incurred					
Operating Support to Public and Separate Schools	3,357,731	-	3,357,731	-	3,357,731
Teachers' Pensions	406,664	-	406,664	-	406,664
Accredited Private Schools Support	121,240	-	121,240	-	121,240
Provincial Initiatives – Class Size	-	-	-	52,000	52,000
Provincial Initiatives - Other	120,637	-	120,637	12,800	133,437
Other Basic Education Programs	33,239	(5,964)	27,275	-	27,275
	4,039,511	(5,964)	4,033,547	64,800	4,098,347
Less: Property Tax Support to Opted -Out Separate School Boards	(171,000)	-	(171,000)	-	(171,000)
Total Ministry Support to Basic Education	3,868,511	(5,964)	3,862,547	64,800	3,927,347
Ministry Support Services	20,868	(349)	20,519	379	20,898
Program Delivery Support	54,237	-	54,237	-	54,237
Total Expenses Before Debt Servicing Costs	3,943,616	(6,313)	3,937,303	65,179	4,002,482
Debt Servicing Costs					
Alberta School Foundation Fund	3,562	-	3,562	-	3,562
Ministry Expense	3,947,178	(6,313)	3,940,865	65,179	4,006,044
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-	-	-
Ministry Net Operating Results	$ (2,611,528)	$ 6,313	$ (2,605,215)	$ (64,959)	$ (2,670,174)
Equipment/Inventory Purchases	$ 1,325	$ -	$ 1,325	$ -	$ 1,325
Non-Budgetary Disbursements	$ 1,000	$ -	$ 1,000	$ -	$ 1,000

(a) Adjustments represent dedicated revenue shortfalls.

(b) Supplementary Estimates were approved on March 24, 2005. Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for dedicated revenue initiatives).

Schedule 4

Funding Provided to School Boards

	(in thousands)				
	Funding Framework (a) (e)	Provincial Initiatives (b)	Other Provincial Initiatives (c)	Opted Out (d)	Ministry Total
Almadina School Society	$ 3,379	$ 63	$ 73	$ -	$ 3,515
Aspen View Regional Division No. 19	24,906	262	625	-	25,793
Aurora School Ltd.	2,313	47	29	-	2,389
Battle River Regional Division No. 31	50,005	565	1,214	-	51,784
Black Gold Regional Division No. 18	50,067	903	1,892	-	52,862
Boyle Street Education Centre	1,687	7	24	-	1,718
Buffalo Trail Public Schools Regional Division No. 28	32,790	360	764	-	33,914
Calgary Arts Academy Society	1,286	24	47	-	1,357
Calgary Girls' School Society	1,773	15	48	-	1,836
Calgary Roman Catholic Separate School District No. 1	246,062	4,776	16,155	(75,503)	191,490
Calgary School District No. 19	580,362	10,889	14,722	-	605,973
Calgary Science School Society	2,712	35	82	-	2,829
Canadian Rockies Regional Division No. 12	13,688	230	416	-	14,334
CAPE - Centre for Academic and Personal Excellence Institute	917	13	24	-	954
Chinook's Edge School Division No. 73	64,497	914	1,725		67,136
Christ the Redeemer Catholic Separate Regional Division No. 3	33,011	395	897	(3,603)	30,700
Clearview School Division No. 71	18,845	201	989	-	20,035
East Central Alberta Catholic Separate Schools Regional Division No. 16	15,639	211	552	(1,045)	15,357
East Central Francophone Education Region No. 3	5,035	37	166	-	5,238
Edmonton Catholic Separate School District No. 7	182,766	2,916	11,461	(45,596)	151,547
Edmonton School District No. 7	469,614	7,710	12,038	-	489,362
Elk Island Catholic Separate Regional Division No. 41	34,539	625	935	(5,565)	30,534
Elk Island Public Schools Regional Division No. 14	95,557	1,577	6,103	-	103,237
Evergreen Catholic Separate Regional Division No. 2	12,194	214	391	(2,417)	10,382
FFCA Charter School Society	8,946	264	220	-	9,430
Foothills School Division No. 38	40,745	609	1,979	-	43,333
Fort McMurray Roman Catholic Separate School District No. 32	27,179	333	826	(1,044)	27,294
Fort McMurray School District No. 2833	32,631	517	1,580	-	34,728
Fort Vermilion School Division No. 52	24,576	239	943	-	25,758
Golden Hills School Division No. 75	39,764	485	1,740	-	41,989
Grande Prairie Roman Catholic Separate School District No. 28	21,012	286	733	(3,217)	18,814

Schedule 4 (continued)

Funding Provided to School Boards

(in thousands)

	Funding Framework (a) (e)	Provincial Initiatives (b)	Other Provincial Initiatives (c)	Opted Out (d)	Ministry Total
Grande Prairie School District No. 2357	34,771	504	2,243	-	37,518
Grande Yellowhead Regional Division No. 35	35,977	437	2,145	-	38,559
Grasslands Regional Division No. 6	24,450	293	1,892	-	26,635
Greater North Central Francophone Education Region No. 2	14,228	148	314	-	14,690
Greater Southern Public Francophone Education Region No. 4	4,652	33	152	-	4,837
Greater Southern Separate Catholic Francophone Education Region No. 4	5,127	45	151	-	5,323
Greater St. Albert Catholic Regional Division No. 29	42,324	799	2,579	-	45,702
High Prairie School Division No. 48	24,886	309	1,160	-	26,355
Holy Family Catholic Regional Division No. 37	15,200	156	561	(1,170)	14,747
Holy Spirit Roman Catholic Separate Regional Division No. 4	26,477	434	696	(5,525)	22,082
Horizon School Division No. 67	24,630	269	586	-	25,485
Lakeland Roman Catholic Separate School District No. 150	13,047	202	425	(1,302)	12,372
Lethbridge School District No. 51	48,304	960	1,247	-	50,511
Living Waters Catholic Regional Division No. 42	14,467	194	415	(1,686)	13,390
Livingstone Range School Division No. 68	28,420	401	694	-	29,515
Lloydminster Public [illegible]ool Division	12,931	157	325	(3,936)	9,477
Lloydminster Roman Catholic Separate School Division	6,159	71	174	(1,111)	5,293
Medicine Hat Catholic Separate Regional Division No. 20	16,148	234	445	(3,117)	13,710
Medicine Hat School District No. 76	36,769	567	986	-	38,322
Moberly Hall School Society	561	7	12	-	580
Mother Earth's Children's Charter School Society	688	6	28	-	722
New Horizons Charter School Society	875	14	21	-	910
Northern Gateway Regional Division No. 10	36,468	483	913	-	37,864
Northern Lights School Division No. 69	42,159	580	980	-	43,719
Northland School Division No. 61	23,639	129	473	-	24,241
Northwest Francophone Education Region No. 1	3,200	21	103	-	3,324
Palliser Regional Division No. 26	26,960	311	623	-	27,894
Parkland School Division No. 70	56,834	804	1,432	-	59,070
Peace River School Division No. 10	26,551	264	595	-	27,410
Peace Wapiti School Division No. 76	38,907	410	871	-	40,188
Pembina Hills Regional Division No. 7	39,227	456	1,588	-	41,271
Prairie Land Regional Division No. 25	15,161	135	409	-	15,705

Schedule 4 (continued)

Funding Provided to School Boards

	(in thousands)				
	Funding Framework (a) (e)	**Provincial Initiatives (b)**	**Other Provincial Initiatives (c)**	**Opted Out (d)**	**Ministry Total**
Prairie Rose Regional Division No. 8	29,798	272	589		30,659
Red Deer Catholic Regional Division No. 39	35,546	547	926	(4,759)	32,260
Red Deer School District No. 104	56,960	886	1,467	-	59,313
Rocky View School Division No. 41	88,038	1,718	3,086	-	92,842
St. Albert Protestant Separate School District No. 6	36,337	590	1,041	(6,759)	31,209
St. Paul Education Regional Division No. 1	22,075	233	640	-	22,948
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38	12,785	230	402	(1,894)	11,523
Sturgeon School Division No. 24	32,091	398	750	-	33,239
Suzuki Charter School Society	789	9	17	-	815
Westmount Charter School Society	5,274	64	121	-	5,459
Westwind School Division No. 74	24,909	288	2,835	-	28,032
Wetaskiwin Regional Division No. 11	27,911	354	1,441	-	29,706
Wild Rose School Division No. 66	35,397	507	959	-	36,863
Wolf Creek School Division No. 72	47,719	646	4,042	-	52,407
	$ 3,334,323	$ 52,297	$ 122,947	$ (169,249)	$ 3,340,318

(a) Funding Framework combines the instruction and support block funding with other enrolment driven funding.

(b) Provincial Initiatives provides funding that is in addition to basic funding, to school authorities for the class size initiative.

(c) Other provincial initiatives includes funding for student health, Alberta Initiative for School Improvement, High Speed Networking and funding for the purchase of text books and other classroom resources.

(d) Opted out separate school boards, which have passed a resolution pursuant to section 171(2) of the *School Act*, have the authority to requisition and collect from municipalities levies on their declared residential and non-residential property at a rate of not less than the provincial rate applied in that municipality. These amounts collected from municipalities are shown as a reduction to funding from the Ministry.

(e) Funding Framework includes education property tax directly requisitioned by opted out school boards from their municipalities.

Schedule 5

Tangible Capital Asset Purchases

By Type

	2005 Budget	2005 Actual	2004 Actual (Restated, see Note 3)
	(in thousands)		
Equipment	$ 41	$ 41	$ 91
Computer hardware and software	1,284	1,513	4,280
	$ 1,325	$ 1,554	$ 4,371

Schedule 6

Voted Non-Budgetary Disbursements by Program

	2005 Budget	2005 Actual	2004 Actual (Restated, see Note 3)
	(in thousands)		
Support for Basic Learning			
Learning Resources:			
Changes in learning resources inventory during the year	$ 1,000	$ 165	$ 1,452

Schedule 7

Related Party Transactions

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Revenue		
Internal Government Transfers		
Lottery Fund	$ 66,700	$ 92,100
Expenses		
Supplies and Services from Other Ministries	$ 7,613	$ 7,064
Interest on Advances from General Revenues	2,827	3,096
	$ 10,440	$ 10,160
Net Tangible Capital Assets Transferred to (from) other Ministries	$ -	$ 50

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements.

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Expenses - Incurred by Others		
Accommodation	$ 7,935	$ 6,562
Legal Services	289	469
Other	11	-
	$ 8,235	$ 7,031

Schedule 8

Allocated Costs

(in thousands)

	2005				2004
		Expenses - Incurred by Others			
Program	Expenses ①	Accommodation Costs ②	Legal Services ③	Total Expenses	Total Expenses (Restated, see Note 3)
Operating Support to Public and Separate Schools	$ 3,193,139	$ 5,003	$ -	$ 3,198,142	$ 3,037,574
Teachers' Pension	443,328	694	-	444,022	385,199
Accredited Private Schools Support	122,821	192	-	123,013	111,011
Provincial Initiatives	52,298	82	-	52,380	-
Provincial Initiatives - Other	126,325	198	-	126,523	127,277
Other Basic Education Programs	27,667	43	-	27,710	35,286
Ministry Support Services	20,936	1,637	289	22,862	22,246
Program Delivery Support	54,990	86	-	55,076	55,666
	$ 4,041,504	$ 7,935	$ 289	$ 4,049,728	$ 3,774,259

(1) Expenses – Directly Incurred as per Statement of Operations. Operating support to public and separate schools includes debt servicing costs.

(2) Costs shown for Accommodation on Schedule 7, allocated by square footage.

(3) Legal Services Expense is split based on the allocated shared percentage identified in the Order In Council splitting the Ministry of Learning.

DEPARTMENT OF EDUCATION

FINANCIAL STATEMENTS

MARCH 31, 2005

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Revenues

Schedule 2 - Dedicated Revenue Initiatives

Schedule 3 - Expenses – Directly Incurred Detailed by Object

Schedule 4 - Budget

Schedule 5 - Comparison of Directly Incurred Expenses, Equipment/ Inventory Purchases, Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget

Schedule 6 - Salary and Benefits Disclosure

Schedule 7 - Related Party Transactions

Schedule 8 - Allocated Costs

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister of Education

I have audited the statement of financial position of the Department of Education as at March 31, 2005 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the management of the Department. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn
FCA
Auditor General

Edmonton, Alberta
May 20, 2005

DEPARTMENT OF EDUCATION
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2005

	(in thousands)		
	2005		2004
	Budget	Actual	Actual
	(Schedule 4)		(Restated, see Note 3)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	$ 66,700	$ 66,700	$ 92,100
Sales of Learning Resources	32,040	26,076	35,136
Premiums, Fees and Licences	2,210	2,077	3,118
Other Revenue	1,200	3,599	3,193
	102,150	98,452	133,547
Expenses - Directly Incurred (Note 2b)			
Voted (Schedules 3 and 5):			
Ministry Support Services	20,868	20,936	19,785
Support for Basic Education	2,399,829	2,457,393	2,332,051
	2,420,697	2,478,329	2,351,836
Statutory (Schedules 3 and 5):			
Teachers' Pensions (Note 12)	124,817	124,742	119,795
Valuation Adjustments:			
Provision for Teachers' Pension (Note 12)	132,000	169,334	129,573
Provision for Doubtful Accounts	-	69	15
Provision for Vacation Pay	-	113	379
	256,817	294,258	249,762
Total Expenses	2,677,514	2,772,587	2,601,598
Loss (Gain) on Disposal of Tangible Capital Assets	-	-	7
Net Operating Results	$ (2,575,364)	$ (2,674,135)	$ (2,468,058)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF EDUCATION
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2005

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Assets		
Cash	$ 50	$ 50
Accounts Receivable (Note 4)	21,975	48,976
Inventory	8,025	7,860
Tangible Capital Assets (Note 5)	8,116	7,645
	$ 38,166	$ 64,531
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 24,955	$ 35,186
Teachers' Pension Obligation (Note 12)	4,263,479	4,094,145
	4,288,434	4,129,331
Net Liabilities		
Net Liabilities at Beginning of Year (Note 3)	(4,064,800)	(3,975,360)
Net Operating Results	(2,674,135)	(2,468,058)
Net Transfer from General Revenues	2,488,667	2,378,618
Net Liabilities at End of Year	(4,250,268)	(4,064,800)
	$ 38,166	$ 64,531
Net Liabilities at End of Year	$ (4,250,268)	$ (4,064,800)
Less Teachers' Pension Obligation	4,263,479	4,094,145
Net Assets Excluding Teachers' Pension Obligation	$ 13,211	$ 29,345

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF EDUCATION
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2005

	(in thousands) 2005	2004 (Restated, see Note 3)
Operating Transactions		
Net Operating Results	$ (2,674,135)	$ (2,468,058)
Non-Cash Items included in Net Operating Results		
Amortization	1,083	712
Loss (Gain) on Disposal of Tangible Capital Assets	-	7
Valuation Adjustments		
- Provision for Teachers' Pension	169,334	129,573
- Provision for Doubtful Accounts	69	15
- Provision for Vacation Pay	113	379
	(2,503,536)	(2,337,372)
Decrease (Increase) in Accounts Receivable	26,932	(41,499)
(Increase) Decrease in Inventory	(165)	(1,452)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(10,344)	5,737
Cash Applied to Operating Transactions	(2,487,113)	(2,374,586)
Capital Transactions		
Disposal of Tangible Capital Assets	-	48
Net Tangible Capital Assets Transferred to (from) other Ministries	-	50
Acquisition of Tangible Capital Assets (Schedule 5)	(1,554)	(4,371)
Cash Applied to Capital Transactions	(1,554)	(4,273)
Financing Transactions		
Net Transfer from General Revenues	2,488,667	2,378,618
Increase (Decrease) in Cash	-	(241)
Cash, Beginning of Year	50	291
Cash, End of Year	$ 50	$ 50

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 AUTHORITY AND PURPOSE

The Department of Education operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The mission of the Department of Education, through its leadership and work with stakeholders, is to ensure that students are prepared for lifelong learning, work and citizenship so that they can become self-reliant, responsible and contributing members of a democratic, knowledge-based and prosperous society.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all departments.

(a) Reporting Entity

The reporting entity is the Department of Education, which is part of the Ministry of Education and for which the Minister of Education is accountable. The Department provides funding to private, separate and public schools. Details on balances and transactions with these entities are disclosed in Note 4 and Schedules 3 and 5. The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by the departments are paid from the Fund. Net transfer to/from General Revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue and included in accounts payable and accrued liabilities.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Department may, with the approval of Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Department's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries and supplies, directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year, and additional Government contributions for service relating to prior years.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay and teachers' pension.

Grants are recognized as expenses when authorized eligibility criteria if any are met and a reasonable estimate of that amount can be made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of Financial Reporting (continued)

Expenses (continued)

Incurred by Others

Services contributed by other entities in support of the Department operations are disclosed in Schedule 7.

Assets

Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals as well as inventories held for resale. Inventories held for resale are valued at the lower of cost, determined on a weighted average basis, or estimated net realizable value.

Tangible capital assets of the Department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000 (2004 - $15,000). All land is capitalized.

Liabilities

Liabilities represent all financial claims payable by the Department at fiscal year end. They include the Department's obligation for the Province's share of the unfunded pension liability associated with the Teachers' Pension Plan entitlements.

Net Liabilities

Net liabilities represents the difference between the carrying value of assets held by the Department and its liabilities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(b) Basis of Financial Reporting (continued)

Measurement Uncertainty

Measurement uncertainty exists when there is a significant variance between the amount recognized in the financial statements and another reasonably possible amount. The liability for teachers' pension obligation amounting to $4,263,479,000 (2004 - $4,094,145,000) is subject to measurement uncertainty.

The measurement uncertainty for teachers' pension obligation arises because actual experience may vary from the assumptions used in the calculation.

Note 12 discloses information on the Teachers' Pension Plan.

NOTE 3 REORGANIZATION

The Department of Education was established as a result of restructuring of government ministries announced on November 24, 2004 and other transfer of responsibilities to and from other departments. Comparatives for 2004 have been restated as if the Department had always been assigned with its current responsibilities. Net liabilities on March 31, 2003 is made up as follows:

	(in thousands)
Transferred from Department of Learning	$ 3,975,360
Net liabilities at March 31, 2003	$ 3,975,360

NOTE 4 ACCOUNTS RECEIVABLE

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Government of Canada	$ 11,638	$ 5,745
School Boards	1,815	40,279
Other	8,522	2,952
	$ 21,975	$ 48,976

Accounts receivable are non-interest bearing, unsecured and reported at their net realizable value.

NOTE 5 TANGIBLE CAPITAL ASSETS

		(in thousands)			
		2005			2004
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value (Restated, see Note 3)
Equipment (a)	3-10 years	$ 3,186	$ 1,195	$ 1,991	$ 1,940
Computer Hardware and Software	5 years	13,184	7,059	6,125	5,705
		$ 16,370	$ 8,254	$ 8,116	$ 7,645

(a) Equipment includes office equipment and furniture.

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Accounts Payable	$ 4,786	$ 6,973
Accrued Liabilities - vacation	3,942	3,829
- other	13,813	21,924
Advances from Government of Canada	2,127	2,206
Unearned Revenue	287	254
	$ 24,955	$ 35,186

NOTE 7 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 8 CONTRACTUAL OBLIGATIONS

(in thousands)

	2005	2004 (Restated, see Note 3)
Grants	$ 450	$ 916
EDP Development	33	-
Service Contracts	8,559	6,376
Long-term leases	1,937	2,421
	$ 10,979	$ 9,713

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grants	EDP Development	Service Contracts	Long-Term Leases	Total
2006	$ 150	$ 33	$ 8,537	$ 372	$ 9,092
2007	150	-	22	362	534
2008	150	-	-	335	485
2009	-	-	-	232	232
2010	-	-	-	232	232
Thereafter	-	-	-	404	404
	$ 450	$ 33	$ 8,559	$ 1,937	$ 10,979

NOTE 9 CONTINGENT LIABILITIES

(in thousands)

The Department has entered into indemnity agreements with school jurisdictions that have been named in residential school claims. The resulting loss, if any, from these indemnity agreements cannot be determined.

At March 31, 2005, the Department is a defendant in two legal claims (2004 – two legal claims). One of these claims has a specified amount totaling $94,350 and the remaining one has no specified amount (2004 – one claim with specified amount of $94,350 and the remaining one with no specified amount). The one claim amounting to $94,350 (2004 – one claim amounting to $94,350) is covered by Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

NOTE 10 TRUST FUNDS UNDER ADMINISTRATION

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the Department's financial statements.

At March 31, 2005, trust funds under administration were as follows:

	(in thousands)			
	2005			2004
	Total Assets	Total Liabilities	Net Assets (Net Liabilities)	Net Assets (Net Liabilities) (Restated, see Note 3)
Education Endowment Fund	$ 157	$ -	$ 157	$ 157
Teachers' Pension Plan Funds	3,161,000	9,999,000	(6,838,000)	(6,102,000)
	$ 3,161,157	$ 9,999,000	$ (6,837,843)	$ (6,101,843)

NOTE 11 PAYMENTS UNDER AGREEMENT

(in thousands)

The Department has entered into several agreements to deliver programs on behalf of third parties which include the Government of Canada. Costs incurred under these agreements are made by the Department under authority of the *Financial Administration Act*, section 25. Accounts receivable includes $11,638 (2004 - $5,105) and accounts payable and accrued liabilities include $2,145 (2004 - $2,206) relating to payments under agreement.

Amounts paid under agreements on behalf of third parties are as follows:

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Government of Canada		
French Minority Language Education and French Second Language Instruction	$ 6,943	$ 7,227
South Africa Teacher Development Program	2,553	1,139
Alberta School Boards		
International Student Program	-	4
Western Provinces		
French Math Resources	-	100
	$ 9,496	$ 8,470

NOTE 12 DEFINED BENEFIT PLANS

Teachers' Pension Plan

The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan. The Alberta Teachers' Retirement Fund Board operates under the authority of the *Teachers' Pension Plans Act*. The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

The plan's pension obligation is based upon actuarial valuations performed at least triennially using the projected benefit method prorated on service. The latest actuarial valuation was performed on August 31, 2004. The valuation indicated a deficiency of net assets over the actuarial present value of accrued benefits. The unfunded liability was extrapolated to March 31, 2005 and the following information relates to the government portion of the pension plan:

	(in millions) 2005	(in millions) 2004
Actuarial asset value	$ 1,524	$ 1,409
Actuarial liabilities	(6,001)	(5,447)
Unamortized deferred (gain)/loss	214	(56)
Unfunded liability	$ (4,263)	$ (4,094)

The valuation and extrapolation were based upon economic assumptions, including a 7.25 per cent per annum long-term rate of return (7.5 per cent per annum in 2004) on fund assets and price inflation of 3.0 per cent per annum (same in 2004). The actual return on plan assets was 11.5 per cent for the period ending August 31, 2004. Demographic assumptions used in the valuation reflect the experience of the plan.

The assumptions used in the valuation and extrapolation are based on the Alberta Teachers' Retirement Fund Board management's best estimates of future events. The plan's future experience will vary from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employees.

For the fiscal year:	(in millions) 2005	(in millions) 2004 No Actuarial Valuation
Deferred loss on plan assets	$ 25	$ -
Deferred loss on accrued benefit obligation	243	-
Total deferred loss for the year	$ 268	$ -
Amortization of net actuarial gain	$ 2	$ 29

NOTE 12 DEFINED BENEFIT PLANS (CONTINUED)

Under the *Teachers' Pension Plans Act*, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 per cent by the Province and 32.65 per cent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 per cent of the post- 1992 unfunded liability, any current service costs and certain cost-of-living benefits. The *Teachers' Pension Plan Act* provides that payment of all benefits for service credited prior to September 1, 1992 is guaranteed by the Province.

In the Statement of Operations, the amount of contributions paid by the Province towards current service in the Alberta Teachers' Pension Plan is included in voted expenses while amounts for the unfunded liability are shown as statutory expense.

	(in millions)	
	2005	2004
Current service contribution	$ 149	$ 135
Past service contribution	125	120
Pension valuation adjustment	169	130

The valuation adjustment has been recorded to recognize the estimated impact on the obligation of the estimated changes in the value of the plan's assets and amortization of experience gains and losses.

The financial statements of the Alberta Teachers' Retirement Fund Board provide further information on this defined benefit plan.

Other Pension Plans
(in thousands)

The Department participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $3,585 for the year ended March 31, 2005 (2004 - $3,216).

At December 31, 2004, the Management Employees Pension Plan reported a deficiency of $268,101 (2003 – $290,014) and the Public Service Pension Plan reported a deficiency of $450,068 (2003 – $584,213). At December 31, 2004 the Supplementary Retirement Plan for Public Service Managers had a surplus of $9,404 (2003 – $9,312).

NOTE 12 DEFINED BENEFIT PLANS (CONTINUED)

Other Pension Plans (continued)

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2005, the Bargaining Unit Plan reported an actuarial deficiency of $11,817 (2004 – $9,766) and the Management Opted Out and Excluded Plan an actuarial surplus of $3,208 (2004 - $1,298). The expense for these two plans is limited to employer's annual contributions for the year.

NOTE 13 COMPARATIVE FIGURES

Certain 2004 figures have been reclassified to conform to the 2005 presentation.

NOTE 14 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

DEPARTMENT OF EDUCATION
SCHEDULES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005

Schedule 1

Revenues

	(in thousands)		
	2005		2004
	Budget	Actual	Actual (Restated, see Note 3)
Internal Government Transfers			
Lottery Fund	$ 66,700	$ 66,700	$ 92,100
Sales of Learning Resources			
Sales of Learning Resources	32,040	26,076	35,136
Premiums, Fees and Licences			
High School Transcripts	1,104	898	933
Teacher Certificate Fees	650	745	734
Industry Canada Grassroots Project	-	-	960
Diploma Exam Rewrite Fees	456	434	491
	2,210	2,077	3,118
Other Revenue			
Refunds of Expenditure	1,200	3,588	3,181
Miscellaneous	-	11	12
	1,200	3,599	3,193
Total Revenues	$ 102,150	$ 98,452	$ 133,547

Schedule 2

Dedicated Revenue Initiatives

	(in thousands)		
	2005		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	Excess (Shortfall)
Ministry Support Services			
Information and Strategic Services (a)	$ 1,320	$ 898	$ (422)
Support for Basic Education			
Program Delivery Support (b)	1,106	1,179	73
Learning Resources Centre (c)	32,040	26,076	(5,964)
	$ 34,466	$ 28,153	$ (6,313)

The revenue of each dedicated revenue initiative is included in the Department's revenue.

(a) The Information and Strategic Services dedicated revenues are fees collected for the delivery of high school transcripts and copyrights.

(b) The Basic Learning program delivery support dedicated revenues include fees collected from students writing diploma examinations for the second or subsequent time as well as fees collected for teacher certification and development.

(c) Learning Resources Centre generates dedicated revenue from the sale and distribution of learning and teaching resources that have been purchased directly from publishers/suppliers or developed and produced by Alberta Education.

Schedule 3

Expenses - Directly Incurred Detailed by Object

(in thousands)

	2005		2004
	Budget	Actual	Actual (Restated, see Note 3)
Voted:			
Grants			
School Boards	$ 1,989,736	$ 2,074,225	$ 1,966,657
Teachers' Pension - Current Service	149,847	149,252	135,361
Private Schools	121,240	125,589	115,908
Other	11,355	10,514	9,666
	2,272,178	2,359,580	2,227,592
Salaries, Wages and Employee Benefits	47,294	49,864	44,111
Supplies and Services	100,311	67,461	79,415
Amortization of Tangible Capital Assets	879	1,083	712
Other	35	458	118
	2,420,697	2,478,446	2,351,948
Less:			
Recoveries from Support Service Arrangements with Related Parties (a)	-	(117)	(112)
Total Voted Expenses	$ 2,420,697	$ 2,478,329	$ 2,351,836
Statutory:			
Grants			
Teachers' Pension - Past Service	124,817	124,742	119,795
Valuation Adjustments			
Provision for Teachers' Pension	132,000	169,334	129,573
Provision for Doubtful Accounts	-	69	15
Provision for Vacation Pay	-	113	379
	$ 256,817	$ 294,258	$ 249,762

(a) The Department provides financial, human resource, and administrative services to the Ministry of International and Intergovernmental Relations $55 (2004 - $53) and the Ministry of Aboriginal Affairs and Northern Development $62 (2004 - $59). Costs for these services are recovered from the respective ministries.

Schedule 4
Budget

	(in thousands)				
	2005				
	2004-2005 Estimates	Adjustments (a)	2004-2005 Budget	Authorized Supplementary (b)	Authorized Budget
Revenues					
Internal Government Transfers	$ 66,700	$ -	$ 66,700	$ -	$ 66,700
Sales of Learning Resources	32,040	-	32,040	-	32,040
Premiums, Fees and Licences	2,210	-	2,210	220	2,430
Other Revenue	1,200	-	1,200	-	1,200
	102,150	-	102,150	220	102,370
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	20,868	(349)	20,519	379	20,898
Support for Basic Education	2,399,829	(5,964)	2,393,865	64,800	2,458,665
	2,420,697	(6,313)	2,414,384	65,179	2,479,563
Statutory Expenses					
Teachers' Pension	124,817	-	124,817	-	124,817
Valuation Adjustments					
Provision for Teachers' Pension	132,000	-	132,000	-	132,000
Provision for Doubtful Accounts	-	-	-	-	-
Provision for Vacation Pay	-	-	-	-	-
	256,817	-	256,817	-	256,817
Total Expenses	2,677,514	(6,313)	2,671,201	65,179	2,736,380
(Gain) Loss on Disposal of Tangible Capital Assets	-	-	-	-	-
Net Operating Results	$ (2,575,364)	$ 6,313	$ (2,569,051)	$ (64,959)	$ (2,634,010)
Equipment/Inventory Purchases	$ 1,325	$ -	$ 1,325	$ -	$ 1,325
Non-Budgetary Disbursements	$ 1,000	$ -	$ 1,000	$ -	$ 1,000

(a) Adjustments represent dedicated revenue shortfalls.

(b) Supplementary Estimates were approved on March 24, 2005. Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for net budgeted initiatives).

DEPARTMENT OF EDUCATION

Schedule 5

Comparison of Directly Incurred Expenses, Equipment/Inventory Purchases, Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget

Year ended March 31, 2005

		(in thousands)						
		2004-2005 Estimates	Adjustments (a)	2004-2005 Budget	Authorized Supplementary(b)	2004-2005 Authorized Budget	2004-2005 Actual (c)	Unexpended (Over-Expended)
Voted Operating Expenses and Equipment/Inventory Purchases								
1.1	**Ministry Support Services**							
1.0.1	Minister's Office	$ 190	$ -	$ 190	$ -	$ 190	$ 266	$ (76)
1.0.2	Minister's Committees	-	-	-	-	-	-	-
1.0.3	Deputy Minister's Office	271	-	271	-	271	243	28
1.0.4	Finance and Administrative Services	3,061	-	3,061	70	3,131	3,053	78
1.0.5	Human Resource Services	1,895	-	1,895	14	1,909	2,024	(115)
1.0.6	Legislative Services and Freedom of Information							
	- Operating Expenses	678	-	678	-	678	755	(77)
	- Capital Investment	-	-	-	-	-	6	(6)
1.0.7	Information and Strategic Services							
	- Operating Expense	12,321	(349)	11,972	295	12,267	13,027	(760)
	- Capital Investment	400	-	400	-	400	735	(335)
1.0.8	Administrative Systems Support	1,996	-	1,996	-	1,996	875	1,121
1.0.9	Communications	296	-	296	-	296	284	12
1.0.10	Amortization of Capital Assets	160	-	160	-	160	409	(249)
	Total Ministry Support Services	**21,268**	**(349)**	**20,919**	**379**	**21,298**	**21,677**	**(379)**

Comparison of Directly Incurred Expenses, Equipment/Inventory Purchases, Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (Continued)

		(in thousands)						
		2004-2005 Estimates	Adjustments (a)	2004-2005 Budget	Authorized Supplementary(b)	2004-2005 Authorized Budget	2004-2005 Actual (c)	Unexpended (Over-Expended)
Support for Basic Learning								
2.1	**Program Delivery**							
2.1.1	Program Delivery Support							
	- Operating Expense	51,810	-	51,810	-	51,810	51,843	(33)
	- Capital Investment	-	-	-	-	-	468	(468)
	Total Sub-program	51,810	-	51,810	-	51,810	52,311	(501)
2.2	**Public and Separate School Support**							
2.2.1	Operating Support for Basic Education							
	- Operating Expense	1,866,304	-	1,866,304	-	1,866,304	1,867,775	(1,471)
	- Operating Expense funded by Lotteries	60,400	-	60,400	-	60,400	60,400	-
	- Capital Investment	-	-	-	-	-	11	(11)
2.2.2	Teachers' Pension – Current Service	149,847	-	149,847	-	149,847	149,252	595
	Total Sub-program	2,076,551	-	2,076,551	-	2,076,551	2,077,438	(887)
2.3	**Private School Support**							
2.3.1	Private Schools	88,910	-	88,910	-	88,910	89,483	(573)
2.3.2	Early Childhood Services – Private Schools	32,330	-	32,330	-	32,330	33,338	(1,008)
	Total Sub-program	121,240	-	121,240	-	121,240	122,821	(1,581)
2.4	**Provincial Initiatives**							
2.4.1	Alberta Initiative for School Improvement	68,392	-	68,392	-	68,392	68,147	245
2.4.2	Student Health Services	36,970	-	36,970	-	36,970	37,163	(193)
2.4.3	High Speed Networking		-		-			
	- Operating Expense	5,200	-	5,200	-	5,200	674	4,526
	- Operating Expense funded by Lotteries	4,000	-	4,000	-	4,000	4,000	-
2.4.4	Class Size Initiative	-	-	-	52,000	52,000	52,298	(298)
	Total Sub-program	114,562	-	114,562	52,000	166,562	162,282	4,280

Comparison of Directly Incurred Expenses, Equipment/Inventory Purchases, Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (Continued)

(in thousands)

		2004-2005 Estimates	Adjustments (a)	2004-2005 Budget	Authorized Supplementary(b)	2004-2005 Authorized Budget	2004-2005 Actual (c)	Unexpended (Over-Expended)
2.5	**Other Basic Learning Programs**							
2.5.1	Materials Resource Centre							
	- Operating Expense	1,405	-	1,405	-	1,405	1,653	(248)
	- Capital Investment	-	-	-	-	-	83	(83)
2.5.2	Learning Resources Centre							
	- Operating Expense	31,115	(5,964)	25,151	-	25,151	25,684	(533)
	- Capital Investment	925	-	925	-	925	242	683
2.5.3	Amortization of Capital Assets	719	-	719	-	719	330	389
2.5.4	Learning Resource Grants	-	-	-	12,800	12,800	12,385	415
	Total Sub-program	34,164	(5,964)	28,200	12,800	41,000	40,377	623
	Total Support for Basic Learning	**2,398,327**	**(5,964)**	**2,392,363**	**64,800**	**2,457,163**	**2,455,229**	**1,934**
Support for Adult Learning								
3.1	**Program Support**							
3.1.3	Learning Television							
	- Operating Expense	127	-	127	-	127	324	(197)
	- Operating Expense funded by Lotteries	2,300	-	2,300	-	2,300	2,300	-
	Total Sub-program	2,427	-	2,427	-	2,427	2,624	(197)
	Total Support for Adult Learning	**2,427**	-	**2,427**	-	**2,427**	**2,624**	**(197)**
Support for Adult Learners								
4.1	**Program Delivery**							
4.1.1	Program Delivery Support							
	- Capital Investment	-	-	-	-	-	9	(9)
4.1.3	Amortization of Capital Assets	-	-	-	-	-	344	(344)
	Total Support for Adult Learners	-	-	-	-	-	**353**	**(353)**
	Total Voted Expenses	**$ 2,422,022**	**$ (6,313)**	**$ 2,415,709**	**$ 65,179**	**$ 2,480,888**	**$2,479,883**	**$ 1,005**

Comparison of Directly Incurred Expenses, Equipment/Inventory Purchases, Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (Continued)

(in thousands)

	2004-2005 Estimates	Adjustments (a)	2004-2005 Budget	Authorized Supplementary(b)	2004-2005 Authorized Budget	2004-2005 Actual (c)	Unexpended (Over-Expended)
Voted Operating Expenses							
Voted Expenses							
Program Operating Expenses	$ 2,353,997	$ (6,313)	$ 2,347,684	$ 65,179	$ 2,412,863	$2,411,629	$ 1,234
Program Operating Expenses funded by Lotteries	66,700	-	66,700	-	66,700	66,700	-
Equipment/Inventory Purchases	1,325	-	1,325	-	1,325	1,554	(229)
Total Voted Expenses	**$ 2,422,022**	**$ (6,313)**	**$ 2,415,709**	**$ 65,179**	**$ 2,480,888**	**$2,479,883**	**$ 1,005**
Statutory Expenses							
Teachers Pension Liability Funding	$ 124,817	$ -	$ 124,817	$ -	$ 124,817	$ 124,742	$ 75
Valuation Adjustments							
Provision for Teachers Pension	132,000	-	132,000	-	132,000	169,334	(37,334)
Provision for Doubtful Accounts/ Bad Debt Expense	-	-	-	-	-	69	(69)
Provision for Vacation Pay	-	-	-	-	-	113	(113)
Total Statutory Payments	**$ 256,817**	**$ -**	**$ 256,817**	**$ -**	**$ 256,817**	**$ 294,258**	**$ (37,441)**
Non-Budgetary Disbursements by Program							
2.5 Support for Basic Learning							
2.5.5 Learning Resources							
Changes in Learning Resources Inventory during the year	$ 1,000	$ -	$ 1,000	$ -	$ 1,000	$ 165	$ 835
Total Non-Budgetary Disbursements	**$ 1,000**	**$ -**	**$ 1,000**	**$ -**	**$ 1,000**	**$ 165**	**$ 835**

(a) Adjustments represent dedicated revenue shortfalls

(b) Supplementary Estimates were approved on March 24, 2005 Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for dedicated revenue initiatives)

(c) Includes achievement bonus amounting to $1,590

Schedule 6

Salary and Benefits Disclosure

	2005				2004
	Base Salary (1)	Other Cash Benefits (2)	Other Non-Cash Benefits (3)	Total	Total (Restated, see Note 3)
Deputy Minister (4)(5)	$ 161,075	$ 19,436	$ 30,881	$ 211,392	$ 234,404
Executives:					
Assistant Deputy Minister Basic Learning Division	127,128	18,122	24,837	170,087	166,447
Assistant Deputy Minister Information and Strategic Services Division (6)(7)	127,701	18,847	24,320	170,868	175,470
Assistant Deputy Minister Corporate Services Division (6)(8)	132,216	26,618	26,017	184,851	176,474
Assistant Deputy Minister System Improvement and Reporting Division	132,216	19,241	25,923	177,380	176,197
Executive Director Learner Transitions (9)	77,016	-	13,654	90,670	115,987
	$ 757,352	$ 102,264	$145,632	$1,005,248	$1,044,979

On November 24, 2004, the Ministry of Learning was split into the Ministry of Education and the Ministry of Advanced Education. Prior to November 24, the Ministry of Learning had a single Executive Committee. Subsequently, two Executive Committees were created. Two of the Assistant Deputy Ministers were members of both Executive Committees until March 31, 2005 and are therefore included in the disclosure for both ministries. Total salary and benefits relating to a position are disclosed.

(1) Base salary includes regular base pay.
(2) Other cash benefits include bonuses, vacation payouts, overtime, and lump sum payments.
(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
(4) Automobile provided, no dollar amount included in other non-cash benefits figures.
(5) This position was occupied by two individuals throughout the year. Base salary and other non-cash benefits also include amounts paid to the Assistant Deputy Minister during the transition period when she assumed the role of the Deputy Minister. Other cash benefits relate solely to the current Deputy Minister.
(6) The incumbent's services are shared with the Ministry of Advanced Education.
(7) A portion of base salary and other non-cash benefits are disclosed for the Executive Director who assumed the role of the Assistant Deputy Minister during the transition of Deputy Ministers.
(8) Other cash benefits include $7,377 (2004-$0) in vacation pay.
(9) This position was discontinued in November 2004.

Schedule 7

Related Party Transactions

Related parties are those entities consolidated or accounted for on a modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Revenues		
Internal Government Transfers		
Lottery Fund	$ 66,700	$ 92,100
Expenses		
Supplies and Services from Other Ministries	$ 7,613	$ 7,064
Net Tangible Capital Assets Transferred to (from) other Ministries	$ -	$ 50

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements.

	(in thousands)	
	2005	2004 (Restated, see Note 3)
Expenses - Incurred by Others		
Accommodation	$ 7,935	$ 6,562
Legal Services	289	469
Other	11	-
	$ 8,235	$ 7,031

Schedule to Financial Statements **Schedule 8**

Allocated Costs
Year ended March 31, 2005

(in thousands)

	2005							2004
		Expenses - Incurred by Others		Valuation Adjustments				
Program	Expenses (1)	Accommodation Costs	Legal Services	Vacation Pay	Doubtful Accounts	Teachers' Pension	Total Expenses	Total Expenses (Restated, see Note 3)
Ministry Support Services	$ 20,936	$ 1,637	$ 289	$ 24	$ -	$ -	$ 22,886	$ 22,326
Support for Basic Education	2,582,135	6,298	-	89	69	169,334	2,757,925	2,586,303
	$ 2,603,071	$ 7,935	$ 289	$ 113	$ 69	$ 169,334	$ 2,780,811	$ 2,608,629

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(1) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments. Support for Basic Education includes teachers' pension contributions for past service.

ALBERTA SCHOOL FOUNDATION FUND

FINANCIAL STATEMENTS

MARCH 31, 2005

Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Minister of Education

I have audited the statement of financial position of the Alberta School Foundation Fund as at March 31, 2005 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
May 20, 2005

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF OPERATIONS
YEAR ENDED MARCH 31, 2005

	(in thousands)		
	2005		2004
	Budget (Note 7)	Actual	Actual
Revenues			
School Property Taxes	$ 1,233,000	$ 1,246,881	$ 1,177,717
Investment Income	500	433	490
	1,233,500	1,247,314	1,178,207
Expenses			
Payments to School Boards	1,266,102	1,266,093	1,162,533
Interest (Note 5)	3,562	2,827	3,096
	1,269,664	1,268,920	1,165,629
Net Operating Results	$ (36,164)	$ (21,606)	$ 12,578

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2005

	(in thousands) 2005	(in thousands) 2004
Assets		
Cash (Note 3)	$ 48,004	$ 66,862
Requisitions Receivable	13,620	23,006
Receivable from School Boards	4,162	3,850
	$ 65,786	$ 93,718
Liabilities		
Accrued Liabilities (Note 6)	$ 209	$ 6,269
Unearned Revenue	7,807	7,713
Allowance for Assessment Adjustments and Appeals (Note 6)	1,328	1,688
	9,344	15,670
Net Assets		
Net Assets, Beginning of Year	78,048	65,470
Net Operating Results	(21,606)	12,578
Net Assets, End of Year	56,442	78,048
	$ 65,786	$ 93,718

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2005

	(in thousands)	
	2005	2004
Operating Transactions		
Net Operating Results	$ (21,606)	$ 12,578
Decrease (Increase) in Requisitions Receivable	9,386	4,939
(Increase) Decrease in Receivables from School Boards	(312)	(3,786)
(Decrease) Increase in Accrued Liabilities	(6,060)	55
Increase (Decrease) in Unearned Revenue	94	1,394
(Decrease) Increase in Allowance for Assessment Adjustments and Appeals	(360)	(942)
Net Cash (Used) Provided	(18,858)	14,238
Cash at Beginning of Year	66,862	52,624
Cash at End of Year	$ 48,004	$ 66,862

The accompanying notes are part of these financial statements.

ALBERTA SCHOOL FOUNDATION FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 AUTHORITY AND PURPOSE

The Alberta School Foundation Fund (the Fund) operates under the authority of the *School Act*, Revised Statutes of Alberta 2000, chapter S-3.
The Fund makes requisitions to municipalities based on the equalized assessment of real property in Alberta and mill rates established by the Lieutenant Governor in Council. The purpose of the Fund is to provide funding to school boards that is based on an equal amount per eligible student.

NOTE 2 SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

The recommendations of the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government.

(a) Reporting Entity

The reporting entity is the Alberta School Foundation Fund, which is part of the Ministry of Education and for which the Minister of Education is accountable. The other entity reporting to the Minister is the Department of Education. The activities of the Department of Education are not included in these financial statements. The Alberta School Foundation Fund provides funding to school boards. Payments to school boards amounting to $1,266,093,000 (2004 - $1,162,533,000) and receivables from school boards of $4,162,000 (2004 - $3,850,000) are reported in these financial statements.

The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

Opted out separate school boards, which have passed a resolution pursuant to section 171(2) of the *School Act*, have the authority to requisition and collect from municipalities levies on their declared residential and non-residential property at a rate of not less than the provincial rate applied in that municipality. These amounts are not reflected in these financial statements. However, these financial statements include payments of $182,361,786 (2004 - $158,273,969) to opted out separate school boards to increase their funding to a level the boards would otherwise receive if participating fully in the Alberta School Foundation Fund.

NOTE 2 SIGNIFICANT ACCOUNTING AND REPORTING POLICIES (CONTINUED)

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Expenses

Expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the government's budget documents.

Assets

Financial assets of the Fund includes financial claims such as receivables from school boards and requisitions receivable.

Liabilities

Liabilities include all financial claims payable by the Fund at fiscal year end. They include the Fund's estimate of future payments for property assessment appeals and adjustments.

Measurement Uncertainty

Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable possible amount, as there is whenever estimates are used.

Estimates are used in the determination of the allowance for assessment adjustments and appeals amounting to $1,328,000 (2004 - $1,688,000). While best estimates have been used for reporting items subject to measurement uncertainty, management considers that it is possible, based on existing knowledge, that changes in future conditions in the near term could require a material change in the recognized amounts. Near term is defined as a period of time not to exceed one year from the date of the financial statements.

Net Assets

Net assets are restricted by section 176(1) of the *School Act* in that money in the Fund is payable only to school boards except when a payment to General Revenues is required to repay advances and make interest payments, or to refund municipalities for overpayments.

NOTE 3 CASH

The Consolidated Cash Investment Trust Fund is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high quality short-term and mid-term fixed income securities with a maximum term to maturity of three years. As at March 31, 2005, securities held by the Fund have an average effective market yield of 2.79 per cent per annum (March 31, 2004: 2.11 per cent per annum).

NOTE 4 VALUATION OF FINANCIAL ASSETS AND LIABILTIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, receivables and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments. The fair value of the allowance for assessment adjustments and appeals is not reported due to there being no organized financial market for this instrument and it is not practicable within constraints of timeliness or cost to estimate the fair value with sufficient reliability.

NOTE 5 RELATED PARTY TRANSACTIONS

Operating costs incurred in the administration of the Fund have been borne by other ministries and are not reflected in these financial statements. The Fund is prohibited from paying administration costs under section 176(2) of the *School Act*.

Under the provisions of the *Financial Administration Act*, the Fund receives monthly advances from the General Revenues to make payments to school boards in accordance with section 176(1) of the *School Act*. The Fund repays the advances as monies are received from municipalities and opted-out school boards.

The Fund pays interest on the advances at the appropriate bankers' acceptance rate less 0.05 percent. Interest is calculated on a prorata basis for the number of days the advances are outstanding. The Fund incurred interest costs of $2,827,000 (2004 - $3,096,000) on funds advanced from the General Revenues.

NOTE 6 LIABILITIES

If it is determined on appeal under the *Municipal Government Act* that a municipality has paid an amount into the Alberta School Foundation Fund in excess of the sum that is required to be paid, the Minister of Education may order the repayment of the excess to the municipality. The amount required to be paid is equivalent to the sum of the applicable education property tax rates being applied to the equalized assessment of the municipality for residential and farm land, non-residential property and machinery and equipment. Taxpayers can appeal or request adjustments to their assessment to the assessment review boards, Municipal Government Board and/or the Court of Queen's Bench. The Fund's accrued liabilities of $209,000 (2004 -$6,269,000) are those appeals where the likelihood of loss is high.

NOTE 6 LIABILITIES (CONTINUED)

In addition, the Fund has recorded an allowance for assessment adjustments and appeals of $1,328,000 (2004 - $1,688,000) based on discussions with the Ministry of Municipal Affairs, historical trends and changes in the equalized assessment process.

NOTE 7 BUDGET

The budget amounts shown in these financial statements are from the 2004-05 Government and Lottery Fund Estimates approved May 19, 2004.

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Deputy Minister and the Senior Financial Officer.

UNAUDITED SUMMARY OF FINANCIAL STATEMENTS

Contents:

Summary of School Jurisdictions and Charter Schools

Audited financial statements are available on Education's website at:

http://www.education.gov.ab.ca/funding/afs/

For a print version of the complete audited financial statements of school jurisdictions, please call 427-2767, or order by email at lrccustserv@gov.ab.ca, or online at:

http://www.lrc.education.gov.ab.ca.

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Almadina School Society	Aspen View Regional Div. #19	Aurora Charter School Ltd.	Battle River Regional Div. #31
Assets				
Current:				
Cash and temporary investments	$ 318	$ 1,592	$ 3,089	$ 8,823
Accounts receivable (net after allowances)	164	1,619	109	2,119
Prepaid expenses	34	298	5	773
Other current assets	15	3,000	0	601
	531	6,509	3,203	12,316
School generated assets	0	473	0	742
Trust assets	0	0	0	199
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	0	14,190	120	45,319
Total Assets	$ 531	$ 21,172	$ 3,323	$ 58,576
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	80	2,331	411	3,918
Deferred revenue	0	698	70	443
Deferred capital allocations	0	386	0	41
Current portion of long term debt	0	744	0	1,165
	80	4,159	481	5,567
School generated funds	0	473	0	742
Trust liabilities	0	0	0	199
Employee future benefits liability	0	210	0	0
Long term debt	0	3,982	0	8,916
Unamortized capital allocations	0	8,333	0	14,690
Total Liabilities	$ 80	$ 17,157	$ 481	$ 30,114
Net assets:				
Unrestricted net assets	424	354	314	1,433
Operating reserves	27	2,035	391	6,274
Accumulated operating surplus (deficit)	451	2,389	705	7,707
Investment in capital assets	0	1,131	120	20,549
Capital reserves	0	495	2,017	206
Total capital funds	0	1,626	2,137	20,755
Total Net Assets	451	4,015	2,842	28,462
	$ 531	$ 21,172	$ 3,323	$ 58,576

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Black Gold Regional Div. # 18	**Boyle Street Education Centre**	**Buffalo Trail Public Schools Regional Div. # 28**	**Calgary Arts Academy Society**
Assets				
Current:				
Cash and temporary investments	$ 7,251	$ 186	$ 4,073	$ 130
Accounts receivable (net after allowances)	6,565	277	2,303	70
Prepaid expenses	184	51	167	21
Other current assets	288	0	106	0
	14,288	514	6,649	221
School generated assets	852	16	578	0
Trust assets	613	28	168	0
Long term accounts receivable	221	0	0	0
Long term investments	0	0	0	0
Capital assets	56,707	123	38,721	0
Total Assets	$ 72,681	$ 681	$ 46,116	$ 221
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	5,758	99	1,430	30
Deferred revenue	1,018	18	426	62
Deferred capital allocations	2,575	0	259	0
Current portion of long term debt	2,173	0	1,732	0
	11,524	117	3,847	92
School generated funds	852	16	578	0
Trust liabilities	613	28	168	0
Employee future benefits liability	0	0	20	0
Long term debt	9,104	0	10,129	0
Unamortized capital allocations	40,028	0	25,699	0
Total Liabilities	$ 62,121	$ 161	$ 40,441	$ 92
Net assets:				
Unrestricted net assets	396	397	2,470	0
Operating reserves	3,516	0	2,037	129
Accumulated operating surplus (deficit)	3,912	397	4,507	129
Investment in capital assets	5,401	123	1,161	0
Capital reserves	1,247	0	7	0
Total capital funds	6,648	123	1,168	0
Total Net Assets	10,560	520	5,675	129
	$ 72,681	$ 681	$ 46,116	$ 221

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Calgary Girls School Society	Calgary Roman Catholic Sep. School Div. # 1	Calgary School Dist. # 19	Calgary Science School Society
Assets				
Current:				
Cash and temporary investments	$ 240	$ 20,415	$ 64,035	$ 260
Accounts receivable (net after allowances)	385	31,153	21,445	149
Prepaid expenses	4	540	3,028	182
Other current assets	0	373	22,015	0
	629	52,481	110,523	591
School generated assets	0	2,988	10,247	0
Trust assets	0	1,154	0	0
Long term accounts receivable	0	0	0	0
Long term investments	0	0	13,249	0
Capital assets	122	233,554	360,019	244
Total Assets	$ 751	$ 290,177	$ 494,038	$ 835
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	395	36,725	62,303	91
Deferred revenue	112	1,913	13,124	322
Deferred capital allocations	0	6,678	1,992	0
Current portion of long term debt	0	5,873	9,116	0
	507	51,189	86,535	413
School generated funds	0	2,988	10,247	0
Trust liabilities	0	1,154	0	0
Employee future benefits liability	0	0	21,274	0
Long term debt	0	20,370	61,221	0
Unamortized capital allocations	0	176,562	254,781	0
Total Liabilities	$ 507	$ 252,263	$ 434,058	$ 413
Net assets:				
Unrestricted net assets	0	2,732	26	34
Operating reserves	122	4,402	0	144
Accumulated operating surplus (deficit)	122	7,134	26	178
Investment in capital assets	122	30,750	35,815	244
Capital reserves	0	30	24,139	0
Total capital funds	122	30,780	59,954	244
Total Net Assets	244	37,914	59,980	422
	$ 751	$ 290,177	$ 494,038	$ 835

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Canadian Rockies Regional Div. # 12	**CAPE-Centre for Academic and Personal Excellence Institute**	**Chinook's Edge School Div. # 73**	**Christ the Redeemer Catholic Sep. Regional Div. # 3**
Assets				
Current:				
Cash and temporary investments	$ 781	$ 14	$ 3,510	$ 675
Accounts receivable (net after allowances)	1,705	43	7,187	2,660
Prepaid expenses	305	23	1,141	1,043
Other current assets	0	0	1	0
	2,791	80	11,839	4,378
School generated assets	256	1	1,010	241
Trust assets	79	0	763	17
Long term accounts receivable	0	0	0	0
Long term investments	0	584	0	0
Capital assets	31,143	68	74,351	41,906
Total Assets	$ 34,269	$ 733	$ 87,963	$ 46,542
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 1,011	$ 0
Accounts payable and accrued liabilities	1,498	83	3,771	2,100
Deferred revenue	140	1	1,248	291
Deferred capital allocations	95	0	3,112	845
Current portion of long term debt	770	13	871	877
	2,503	97	10,013	4,113
School generated funds	256	1	1,010	241
Trust liabilities	79	0	763	17
Employee future benefits liability	0	0	0	0
Long term debt	8,392	29	5,888	5,865
Unamortized capital allocations	20,106	0	55,741	33,879
Total Liabilities	$ 31,336	$ 127	$ 73,415	$ 44,115
Net assets:				
Unrestricted net assets	10	580	687	100
Operating reserves	524	0	1,121	784
Accumulated operating surplus (deficit)	534	580	1,808	884
Investment in capital assets	1,875	26	11,851	1,285
Capital reserves	524	0	889	258
Total capital funds	2,399	26	12,740	1,543
Total Net Assets	2,933	606	14,548	2,427
	$ 34,269	$ 733	$ 87,963	$ 46,542

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Clearview School Div. # 71	East Central Alberta Catholic Sep. Schools Reg. Div. # 16	East Central Francophone Education Region #3	Edmonton Catholic Separate School Dist. #7
Assets				
Current:				
Cash and temporary investments	$ 2,823	$ 3,242	$ 4,550	$ 4,829
Accounts receivable (net after allowances)	2,058	3,475	418	19,647
Prepaid expenses	188	96	55	1,547
Other current assets	177	0	0	394
	5,246	6,813	5,023	26,417
School generated assets	169	186	53	0
Trust assets	846	0	0	0
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	30,051	14,671	9,417	107,152
Total Assets	$ 36,312	$ 21,670	$ 14,493	$ 133,569
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 430	$ 5,119
Accounts payable and accrued liabilities	1,164	1,891	451	23,313
Deferred revenue	323	646	239	6,440
Deferred capital allocations	152	1,371	4,913	10,045
Current portion of long term debt	515	232	54	2,093
	2,154	4,140	6,087	47,010
School generated funds	169	186	53	0
Trust liabilities	846	0	0	0
Employee future benefits liability	0	0	0	0
Long term debt	4,125	818	36	8,851
Unamortized capital allocations	20,775	12,613	8,970	68,403
Total Liabilities	$ 28,069	$ 17,757	$ 15,146	$ 124,264
Net assets:				
Unrestricted net assets	1,505	1,100	(1,010)	(169)
Operating reserves	1,655	1,234	0	488
Accumulated operating surplus (deficit)	3,160	2,334	(1,010)	319
Investment in capital assets	4,635	1,008	357	7,696
Capital reserves	448	571	0	1,290
Total capital funds	5,083	1,579	357	8,986
Total Net Assets	8,243	3,913	(653)	9,305
	$ 36,312	$ 21,670	$ 14,493	$ 133,569

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Edmonton School Dist. # 7	Elk Island Catholic Sep. Regional Div. # 41	Elk Island Public Schools Regional Div. # 14	Evergreen Catholic Sep. Regional Div. # 2
Assets				
Current:				
Cash and temporary investments	$ 12,414	$ 2,089	$ 7,103	$ 3,182
Accounts receivable (net after allowances)	28,003	4,957	6,244	2,729
Prepaid expenses	1,246	157	282	172
Other current assets	4,831	2	36	0
	46,494	7,205	13,665	6,083
School generated assets	5,246	403	2,150	252
Trust assets	602	77	2,144	155
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	291,200	36,486	49,964	24,552
Total Assets	$ 343,542	$ 44,171	$ 67,923	$ 31,042
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	30,132	4,997	7,624	1,674
Deferred revenue	7,208	446	2,642	71
Deferred capital allocations	1,599	394	127	1,956
Current portion of long term debt	6,806	1,293	2,736	522
	45,745	7,130	13,129	4,223
School generated funds	5,246	403	2,150	252
Trust liabilities	602	77	2,144	155
Employee future benefits liability	0	0	0	0
Long term debt	32,449	7,320	12,474	4,390
Unamortized capital allocations	159,873	24,026	32,810	18,249
Total Liabilities	$ 243,915	$ 38,956	$ 62,707	$ 27,269
Net assets:				
Unrestricted net assets	5,354	363	0	531
Operating reserves	0	701	2,211	1,191
Accumulated operating surplus (deficit)	5,354	1,064	2,211	1,722
Investment in capital assets	92,461	3,847	2,406	1,391
Capital reserves	1,812	304	599	660
Total capital funds	94,273	4,151	3,005	2,051
Total Net Assets	99,627	5,215	5,216	3,773
	$ 343,542	$ 44,171	$ 67,923	$ 31,042

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)			
	FFCA Charter School Society	**Foothills School Div. # 38**	**Fort McMurray Roman Catholic Sep. School Dist. # 32**	**Fort McMurray School Dist. # 2833**
Assets				
Current:				
Cash and temporary investments	$ 2,464	$ 5,864	$ 7,144	$ 3,639
Accounts receivable (net after allowances)	518	3,027	2,569	2,814
Prepaid expenses	66	283	106	554
Other current assets	0	0	0	0
	3,048	9,174	9,819	7,007
School generated assets	28	1,009	335	764
Trust assets	0	300	151	647
Long term accounts receivable	0	0	7,804	400
Long term investments	0	0	0	0
Capital assets	10	52,575	32,571	38,879
Total Assets	$ 3,086	$ 63,058	$ 50,680	$ 47,697
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	1,024	940	1,818	2,265
Deferred revenue	568	908	1,146	2,390
Deferred capital allocations	0	6,236	7,716	2,047
Current portion of long term debt	0	1,411	643	896
	1,592	9,495	11,323	7,598
School generated funds	28	1,009	335	764
Trust liabilities	0	300	151	647
Employee future benefits liability	0	0	0	0
Long term debt	0	5,773	2,252	1,398
Unamortized capital allocations	0	37,361	17,003	28,050
Total Liabilities	$ 1,620	$ 53,938	$ 31,064	$ 38,457
Net assets:				
Unrestricted net assets	0	0	2,229	0
Operating reserves	1,456	303	1,440	605
Accumulated operating surplus (deficit)	1,456	303	3,669	605
Investment in capital assets	10	8,042	12,672	8,535
Capital reserves	0	775	3,275	100
Total capital funds	10	8,817	15,947	8,635
Total Net Assets	1,466	9,120	19,616	9,240
	$ 3,086	$ 63,058	$ 50,680	$ 47,697

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Fort Vermilion School Div. # 52	Golden Hills School Div. # 75	Grande Prairie Roman Catholic Sep. School Dist. # 28	Grande Prairie School Dist. # 2357
Assets				
Current:				
Cash and temporary investments	$ 860	$ 36	$ 1,524	$ 16
Accounts receivable (net after allowances)	3,358	3,839	2,235	3,772
Prepaid expenses	432	619	194	759
Other current assets	101	102	110	228
	4,751	4,596	4,063	4,775
School generated assets	288	721	276	397
Trust assets	90	448	68	608
Long term accounts receivable	0	0	1,217	0
Long term investments	0	0	0	0
Capital assets	56,326	41,561	30,894	41,911
Total Assets	$ 61,455	$ 47,326	$ 36,518	$ 47,691
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 1,447	$ 0	$ 555
Accounts payable and accrued liabilities	2,434	2,554	2,344	2,918
Deferred revenue	256	540	711	768
Deferred capital allocations	1,938	323	1,542	431
Current portion of long term debt	1,350	891	901	1,452
	5,978	5,755	5,498	6,124
School generated funds	288	721	276	397
Trust liabilities	90	448	68	608
Employee future benefits liability	0	0	0	0
Long term debt	5,207	5,168	5,964	10,342
Unamortized capital allocations	41,528	31,591	22,687	28,279
Total Liabilities	$ 53,091	$ 43,683	$ 34,493	$ 45,750
Net assets:				
Unrestricted net assets	0	(213)	0	13
Operating reserves	56	0	132	0
Accumulated operating surplus (deficit)	56	(213)	132	13
Investment in capital assets	8,240	3,809	1,342	1,838
Capital reserves	68	47	551	90
Total capital funds	8,308	3,856	1,893	1,928
Total Net Assets	8,364	3,643	2,025	1,941
	$ 61,455	$ 47,326	$ 36,518	$ 47,691

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Grande Yellowhead Regional Div. # 35	Grasslands Regional Div. # 6	Greater North Central Francophone Education Region # 2	Greater Southern Public Francophone Education Reg. #4
Assets				
Current:				
Cash and temporary investments	$ 11,293	$ 4,974	$ 2,333	$ 762
Accounts receivable (net after allowances)	1,438	1,484	1,117	885
Prepaid expenses	385	36	283	13
Other current assets	66	105	0	0
	13,182	6,599	3,733	1,660
School generated assets	448	438	294	30
Trust assets	712	396	49	0
Long term accounts receivable	38	0	0	0
Long term investments	0	0	0	0
Capital assets	27,601	16,016	24,004	6,887
Total Assets	$ 41,981	$ 23,449	$ 28,080	$ 8,577
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	4,645	1,825	1,044	331
Deferred revenue	571	889	493	1,036
Deferred capital allocations	3,372	244	(535)	87
Current portion of long term debt	781	607	15	0
	9,369	3,565	1,017	1,454
School generated funds	448	438	294	30
Trust liabilities	712	396	49	0
Employee future benefits liability	0	0	59	0
Long term debt	4,615	6,348	74	0
Unamortized capital allocations	15,138	5,464	19,594	6,612
Total Liabilities	$ 30,282	$ 16,211	$ 21,087	$ 8,096
Net assets:				
Unrestricted net assets	744	947	2,321	0
Operating reserves	3,559	2,509	181	205
Accumulated operating surplus (deficit)	4,303	3,456	2,502	205
Investment in capital assets	7,067	3,598	4,321	276
Capital reserves	329	184	170	0
Total capital funds	7,396	3,782	4,491	276
Total Net Assets	11,699	7,238	6,993	481
	$ 41,981	$ 23,449	$ 28,080	$ 8,577

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Greater Southern Sep. Catholic Francophone Educ. Reg. # 4	Greater St. Albert Catholic Regional Div. # 29	High Prairie School Div. # 48	Holy Family Catholic Regional Div. # 37
Assets				
Current:				
Cash and temporary investments	$ 919	$ 15	$ 7,540	$ 4,676
Accounts receivable (net after allowances)	184	2,578	1,051	1,311
Prepaid expenses	39	550	262	127
Other current assets	0	0	0	1
	1,142	3,143	8,853	6,115
School generated assets	13	1,068	532	223
Trust assets	0	315	376	213
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	5,841	36,801	24,184	17,219
Total Assets	$ 6,996	$ 41,327	$ 33,945	$ 23,770
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 900	$ 0	$ 0
Accounts payable and accrued liabilities	264	2,083	1,703	1,467
Deferred revenue	160	527	120	195
Deferred capital allocations	0	0	67	6
Current portion of long term debt	0	1,384	514	704
	424	4,894	2,404	2,372
School generated funds	13	1,068	532	223
Trust liabilities	0	315	376	213
Employee future benefits liability	0	0	0	0
Long term debt	0	12,588	1,875	4,409
Unamortized capital allocations	5,467	16,716	18,412	10,139
Total Liabilities	$ 5,904	$ 35,581	$ 23,599	$ 17,356
Net assets:				
Unrestricted net assets	255	(1,368)	0	241
Operating reserves	343	0	4,559	3,075
Accumulated operating surplus (deficit)	598	(1,368)	4,559	3,316
Investment in capital assets	374	6,113	3,397	1,968
Capital reserves	120	1,001	2,390	1,130
Total capital funds	494	7,114	5,787	3,098
Total Net Assets	1,092	5,746	10,346	6,414
	$ 6,996	$ 41,327	$ 33,945	$ 23,770

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Holy Spirit Roman Catholic Sep. Regional Div. # 4	Horizon School Div. # 67	Lakeland Roman Catholic Sep. School Dist. # 150	Lethbridge School Dist. # 51
Assets				
Current:				
Cash and temporary investments	$ 0	$ 6,145	$ 2,978	$ 7,490
Accounts receivable (net after allowances)	4,778	1,805	1,100	3,613
Prepaid expenses	125	0	105	197
Other current assets	18	0	181	90
	4,921	7,950	4,364	11,390
School generated assets	705	621	135	844
Trust assets	289	0	11	479
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	35,671	16,303	9,262	39,517
Total Assets	$ 41,586	$ 24,874	$ 13,772	$ 52,230
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 541	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	1,724	360	847	3,387
Deferred revenue	738	113	263	984
Deferred capital allocations	464	1,944	0	2,821
Current portion of long term debt	696	141	368	1,165
	4,163	2,558	1,478	8,357
School generated funds	705	621	135	844
Trust liabilities	289	0	11	479
Employee future benefits liability	0	0	0	0
Long term debt	3,002	953	2,298	7,652
Unamortized capital allocations	29,523	11,872	4,847	27,939
Total Liabilities	$ 37,682	$ 16,004	$ 8,769	$ 45,271
Net assets:				
Unrestricted net assets	195	3,589	0	430
Operating reserves	1,483	1,716	2,139	3,441
Accumulated operating surplus (deficit)	1,678	5,305	2,139	3,871
Investment in capital assets	2,027	3,337	1,748	2,762
Capital reserves	199	228	1,116	326
Total capital funds	2,226	3,565	2,864	3,088
Total Net Assets	3,904	8,870	5,003	6,959
	$ 41,586	$ 24,874	$ 13,772	$ 52,230

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Living Waters Catholic Regional Div. # 42	Livingstone Range School Div. # 68	Medicine Hat Catholic Separate Regional Div. # 20	Medicine Hat School Dist. # 76
Assets				
Current:				
Cash and temporary investments	$ 6,520	$ 3,070	$ 117	$ 4,094
Accounts receivable (net after allowances)	1,082	3,270	1,656	3,435
Prepaid expenses	144	102	394	207
Other current assets	0	152	172	491
	7,746	6,594	2,339	8,227
School generated assets	349	742	284	978
Trust assets	45	144	8	1,325
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	20,439	32,830	17,629	27,746
Total Assets	$ 28,579	$ 40,310	$ 20,260	$ 38,276
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	2,425	1,361	1,479	935
Deferred revenue	643	2,234	221	1,789
Deferred capital allocations	2,630	970	556	728
Current portion of long term debt	620	460	191	873
	6,318	5,025	2,447	4,325
School generated funds	349	742	284	978
Trust liabilities	45	144	8	1,325
Employee future benefits liability	0	0	0	0
Long term debt	4,156	2,730	1,306	5,013
Unamortized capital allocations	13,609	24,644	15,700	18,717
Total Liabilities	$ 24,477	$ 33,285	$ 19,745	$ 30,358
Net assets:				
Unrestricted net assets	323	957	14	573
Operating reserves	1,594	1,060	48	2,774
Accumulated operating surplus (deficit)	1,917	2,017	62	3,347
Investment in capital assets	2,054	4,996	433	3,142
Capital reserves	131	12	20	1,429
Total capital funds	2,185	5,008	453	4,571
Total Net Assets	4,102	7,025	515	7,918
	$ 28,579	$ 40,310	$ 20,260	$ 38,276

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Moberly Hall School Society	Mother Earth's Children's Charter School Society	New Horizons Charter School Society	Northern Gateway Regional Div. # 10
Assets				
Current:				
Cash and temporary investments	$ 168	$ 29	$ 317	$ 563
Accounts receivable (net after allowances)	222	72	54	2,127
Prepaid expenses	0	11	14	356
Other current assets	7	0	0	0
	397	112	385	3,046
School generated assets	0	0	6	898
Trust assets	0	0	0	225
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	1	35	0	53,599
Total Assets	$ 398	$ 147	$ 391	$ 57,768
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	125	75	98	1,010
Deferred revenue	25	35	103	672
Deferred capital allocations	0	0	0	42
Current portion of long term debt	0	0	0	1,261
	150	110	201	2,985
School generated funds	0	0	6	898
Trust liabilities	0	0	0	225
Employee future benefits liability	0	0	0	98
Long term debt	0	0	0	6,883
Unamortized capital allocations	0	0	0	38,322
Total Liabilities	$ 150	$ 110	$ 207	$ 49,411
Net assets:				
Unrestricted net assets	247	1	85	489
Operating reserves	0	0	20	631
Accumulated operating surplus (deficit)	247	1	105	1,120
Investment in capital assets	1	36	0	7,133
Capital reserves	0	0	79	104
Total capital funds	1	36	79	7,237
Total Net Assets	248	37	184	8,357
	$ 398	$ 147	$ 391	$ 57,768

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Northern Lights School Div. # 69	Northland School Div. # 61	Northwest Francophone Education Reg. # 1	Palliser Regional Div. # 26
Assets				
Current:				
Cash and temporary investments	$ 10,445	$ 1,848	$ 327	$ 4,153
Accounts receivable (net after allowances)	2,915	9,119	302	905
Prepaid expenses	230	204	38	219
Other current assets	0	103	17	13
	13,590	11,274	684	5,290
School generated assets	719	278	68	525
Trust assets	55	0	0	169
Long term accounts receivable	43	1,188	0	0
Long term investments	0	0	12	0
Capital assets	30,822	40,130	4,526	25,858
Total Assets	$ 45,229	$ 52,870	$ 5,290	$ 31,842
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	1,902	3,855	70	1,838
Deferred revenue	613	1,325	94	431
Deferred capital allocations	3,267	404	0	973
Current portion of long term debt	1,086	2,170	0	564
	6,868	7,754	164	3,806
School generated funds	719	278	68	525
Trust liabilities	55	0	0	169
Employee future benefits liability	0	0	0	0
Long term debt	8,521	9,734	0	4,473
Unamortized capital allocations	17,151	21,762	4,081	15,381
Total Liabilities	$ 33,314	$ 39,528	$ 4,313	$ 24,354
Net assets:				
Unrestricted net assets	1,037	1,748	27	137
Operating reserves	6,815	1,459	161	993
Accumulated operating surplus (deficit)	7,852	3,207	188	1,130
Investment in capital assets	4,063	6,463	445	5,440
Capital reserves	0	3,672	344	918
Total capital funds	4,063	10,135	789	6,358
Total Net Assets	11,915	13,342	977	7,488
	$ 45,229	$ 52,870	$ 5,290	$ 31,842

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)			
	Parkland School Div. # 70	**Peace River School Div. # 10**	**Peace Wapiti Regional Div. # 33**	**Pembina Hills Regional Div. # 7**
Assets				
Current:				
Cash and temporary investments	$ 11,451	$ 3,895	$ 4,600	$ 4,835
Accounts receivable (net after allowances)	2,388	2,835	2,652	2,081
Prepaid expenses	190	220	186	157
Other current assets	0	190	401	303
	14,029	7,140	7,839	7,376
School generated assets	713	503	853	405
Trust assets	553	162	158	556
Long term accounts receivable	0	37	0	0
Long term investments	0	0	0	0
Capital assets	46,389	29,949	42,062	18,560
Total Assets	$ 61,684	$ 37,791	$ 50,912	$ 26,897
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	2,935	1,173	4,953	2,454
Deferred revenue	558	2,003	387	207
Deferred capital allocations	2,932	157	0	0
Current portion of long term debt	1,694	1,123	1,288	927
	8,119	4,456	6,628	3,588
School generated funds	713	503	853	405
Trust liabilities	553	162	158	556
Employee future benefits liability	0	0	0	0
Long term debt	6,205	7,136	9,779	6,518
Unamortized capital allocations	33,720	15,741	18,186	7,889
Total Liabilities	$ 49,310	$ 27,998	$ 35,604	$ 18,956
Net assets:				
Unrestricted net assets	421	913	0	903
Operating reserves	4,769	573	2,484	2,442
Accumulated operating surplus (deficit)	5,190	1,486	2,484	3,345
Investment in capital assets	4,769	5,949	12,824	3,225
Capital reserves	2,415	2,358	0	1,371
Total capital funds	7,184	8,307	12,824	4,596
Total Net Assets	12,374	9,793	15,308	7,941
	$ 61,684	$ 37,791	$ 50,912	$ 26,897

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Prairie Land Regional Div. # 25	Prairie Rose Regional Div. # 8	Red Deer Catholic Regional Div. # 39	Red Deer School Dist. # 104
Assets				
Current:				
Cash and temporary investments	$ 5,580	$ 2,514	$ 1,260	$ 14,040
Accounts receivable (net after allowances)	913	1,474	4,114	3,446
Prepaid expenses	16	278	687	235
Other current assets	0	3	24	251
	6,509	4,269	6,085	17,972
School generated assets	300	510	563	1,408
Trust assets	687	197	298	427
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	21,260	22,468	57,804	61,555
Total Assets	$ 28,756	$ 27,444	$ 64,750	$ 81,362
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	822	1,473	1,652	5,457
Deferred revenue	324	379	260	1,115
Deferred capital allocations	345	16	758	5,491
Current portion of long term debt	546	357	827	2,176
	2,037	2,225	3,497	14,239
School generated funds	300	510	563	1,408
Trust liabilities	687	197	298	427
Employee future benefits liability	0	0	222	0
Long term debt	3,036	2,471	4,531	14,061
Unamortized capital allocations	14,488	13,597	49,872	40,032
Total Liabilities	$ 20,548	$ 19,000	$ 58,983	$ 70,167
Net assets:				
Unrestricted net assets	269	986	0	598
Operating reserves	3,469	1,313	1,876	5,067
Accumulated operating surplus (deficit)	3,738	2,299	1,876	5,665
Investment in capital assets	3,190	6,043	2,573	5,286
Capital reserves	1,280	102	1,318	244
Total capital funds	4,470	6,145	3,891	5,530
Total Net Assets	8,208	8,444	5,767	11,195
	$ 28,756	$ 27,444	$ 64,750	$ 81,362

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Rocky View School Div. # 41	St. Albert Protestant Separate School Dist. # 6	St. Paul Education Regional Div. # 1	St. Thomas Aquinas Roman Catholic Sep. Regional Div. # 38
Assets				
Current:				
Cash and temporary investments	$ 18,450	$ 4,130	$ 5,845	$ 2,924
Accounts receivable (net after allowances)	4,464	3,862	2,521	2,414
Prepaid expenses	113	157	289	101
Other current assets	94	0	0	117
	23,121	8,149	8,655	5,556
School generated assets	2,330	674	368	166
Trust assets	380	106	34	20
Long term accounts receivable	12	0	0	0
Long term investments	0	0	0	0
Capital assets	120,404	29,204	16,113	23,911
Total Assets	$ 146,247	$ 38,133	$ 25,170	$ 29,653
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 347	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	8,172	2,866	2,273	2,233
Deferred revenue	1,319	1,163	326	487
Deferred capital allocations	776	32	1,529	121
Current portion of long term debt	3,085	1,251	529	646
	13,699	5,312	4,657	3,487
School generated funds	2,330	674	368	166
Trust liabilities	380	106	34	20
Employee future benefits liability	0	0	84	0
Long term debt	17,601	9,371	3,299	4,556
Unamortized capital allocations	95,050	14,596	10,425	17,631
Total Liabilities	$ 129,060	$ 30,059	$ 18,867	$ 25,860
Net assets:				
Unrestricted net assets	114	326	502	0
Operating reserves	8,030	3,546	3,837	2,715
Accumulated operating surplus (deficit)	8,144	3,872	4,339	2,715
Investment in capital assets	4,669	3,986	1,860	1,078
Capital reserves	4,374	216	104	0
Total capital funds	9,043	4,202	1,964	1,078
Total Net Assets	17,187	8,074	6,303	3,793
	$ 146,247	$ 38,133	$ 25,170	$ 29,653

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Sturgeon School Div. # 24	Suzuki Charter School Society	Westmount Charter School Society	Westwind School Div. # 74
Assets				
Current:				
Cash and temporary investments	$ 2,323	$ 85	$ 299	$ 2,267
Accounts receivable (net after allowances)	1,371	282	756	2,109
Prepaid expenses	257	10	75	398
Other current assets	25	0	0	0
	3,976	377	1,130	4,774
School generated assets	298	28	31	534
Trust assets	38	0	0	576
Long term accounts receivable	0	0	0	0
Long term investments	0	0	0	0
Capital assets	27,659	472	0	23,939
Total Assets	$ 31,971	$ 877	$ 1,161	$ 29,823
Liabilities and Net Assets				
Current:				
Bank indebtedness	$ 0	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	978	300	614	1,685
Deferred revenue	232	44	148	240
Deferred capital allocations	205	0	0	0
Current portion of long term debt	726	0	0	731
	2,141	344	762	2,656
School generated funds	298	28	31	534
Trust liabilities	38	0	0	576
Employee future benefits liability	0	0	0	112
Long term debt	2,820	0	0	5,344
Unamortized capital allocations	20,913	386	0	15,282
Total Liabilities	$ 26,210	$ 758	$ 793	$ 24,504
Net assets:				
Unrestricted net assets	274	32	244	755
Operating reserves	1,944	0	124	1,391
Accumulated operating surplus (deficit)	2,218	32	368	2,145
Investment in capital assets	3,201	87	0	2,581
Capital reserves	342	0	0	592
Total capital funds	3,543	87	0	3,173
Total Net Assets	5,761	119	368	5,319
	$ 31,971	$ 877	$ 1,161	$ 29,823

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)		
	Wetaskiwin Regional Div. # 11	**Wild Rose School Div. # 66**	**Wolf Creek School Div. # 72**
Assets			
Current:			
Cash and temporary investments	$ 5,560	$ 9,225	$ 17,614
Accounts receivable (net after allowances)	2,993	1,750	2,310
Prepaid expenses	223	328	432
Other current assets	232	113	6
	9,008	11,416	20,362
School generated assets	735	811	784
Trust assets	444	151	978
Long term accounts receivable	0	163	0
Long term investments	0	0	0
Capital assets	34,669	53,473	41,078
Total Assets	$ 44,856	$ 66,014	$ 63,202
Liabilities and Net Assets			
Current:			
Bank indebtedness	$ 0	$ 0	$ 0
Accounts payable and accrued liabilities	3,267	4,220	2,482
Deferred revenue	1,137	716	1,103
Deferred capital allocations	2,031	1,022	9,731
Current portion of long term debt	932	693	412
	7,367	6,651	13,728
School generated funds	735	811	784
Trust liabilities	444	151	978
Employee future benefits liability	0	0	0
Long term debt	6,876	5,522	3,633
Unamortized capital allocations	24,165	38,611	30,410
Total Liabilities	$ 39,587	$ 51,746	$ 49,533
Net assets:			
Unrestricted net assets	0	3,153	1,030
Operating reserves	2,150	1,205	4,265
Accumulated operating surplus (deficit)	2,150	4,358	5,295
Investment in capital assets	2,696	8,647	6,623
Capital reserves	423	1,263	1,751
Total capital funds	3,119	9,910	8,374
Total Net Assets	5,269	14,268	13,669
	$ 44,856	$ 66,014	$ 63,202

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	2004 Actual Totals	2003 Actual Total (As restated)
Assets		
Current:		
Cash and temporary investments	$ 374,843	$ 539,637
Accounts receivable (net after allowances)	258,854	201,082
Prepaid expenses	22,948	23,491
Other current assets	35,555	35,634
	692,200	799,844
School generated assets	51,893	52,154
Trust assets	19,733	18,654
Long term accounts receivable	11,123	3,119
Long term investments	13,845	10,832
Capital assets	2,938,698	2,812,251
Total Assets	$ 3,727,492	$ 3,696,854
Liabilities and Net Assets		
Current:		
Bank indebtedness	$ 10,350	$ 6,010
Accounts payable and accrued liabilities	293,428	260,275
Deferred revenue	71,610	104,105
Deferred capital allocations	99,959	228,156
Current portion of long term debt	76,673	83,620
	552,020	682,166
School generated funds	51,893	52,154
Trust liabilities	19,733	18,654
Employee future benefits liability	22,079	16,539
Long term debt	439,853	505,350
Unamortized capital allocations	1,984,120	1,786,838
Total Liabilities	$ 3,069,698	$ 3,061,701
Net assets:		
Unrestricted net assets	43,172	40,076
Operating reserves	122,942	128,284
Accumulated operating surplus (deficit)	166,114	168,360
Investment in capital assets	419,224	404,237
Capital reserves	72,456	62,556
Total capital funds	491,680	466,793
Total Net Assets	657,794	635,153
	$ 3,727,492	$ 3,696,854

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Almadina School Society	Aspen View Regional Div. # 19	Aurora Charter School Ltd.	Battle River Regional Div. # 31
Revenue:				
Alberta Learning	$ 3,209	$ 25,387	$ 2,173	$ 50,703
Alberta Infrastructure	933	2,847	521	6,061
Alberta Finance	0	403	0	938
Other Government of Alberta	0	74	0	181
Federal government and/or First Nations	0	717	0	0
Other	0	0	0	1
Instruction resource fees	0	282	35	542
Transportation fees	33	0	41	21
Other sales and services	0	598	4	761
Interest on investments	5	128	59	258
Gifts and donations	0	27	0	23
Rentals of facilities	0	47	0	0
Net school generated funds	0	823	35	1,182
Gains on disposals of capital assets	0	0	0	206
Amortization of capital allocations	0	749	0	1,351
	4,180	32,082	2,868	62,228
Expense:				
Salaries, wages and benefits	2,378	21,761	1,737	45,572
Services, contracts and supplies	1,513	8,910	646	11,463
Net school generated funds	0	823	35	1,182
Amortization	0	1,115	29	3,252
Debt servicing	0	403	1	939
Losses on disposals of capital assets	0	112	0	0
	3,891	33,124	2,448	62,408
Surplus(Deficit) of revenues over expenses before the following:	289	(1,042)	420	(180)
Funding used for capital purposes	0	0	0	886
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 289	$ (1,042)	$ 420	$ 706
Changes in Financial Position:				
Cash generated by operations	$ 92	$ (1,379)	$ 584	$ 1,441
Cash generated (used) by investing activities	0	(542)	0	(3,820)
Cash generated by financing activities	0	1,149	0	536
Net sources (uses) of cash equivalents during year	92	(772)	584	(1,843)
Amount at the beginning of the year	226	2,364	2,505	10,666
Amount at the end of the year	$ 318	$ 1,592	$ 3,089	$ 8,823

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Black Gold Regional Div. # 18	Boyle Street Education Centre	Buffalo Trail Public Schools Regional Div. # 28	Calgary Arts Academy Society
Revenue:				
Alberta Learning	$ 50,544	$ 1,311	$ 32,586	$ 1,237
Alberta Infrastructure	6,230	322	4,280	575
Alberta Finance	1,273	0	1,141	0
Other Government of Alberta	97	0	6	9
Federal government and/or First Nations	8	39	53	0
Other	95	0	0	0
Instruction resource fees	515	0	437	17
Transportation fees	83	0	43	32
Other sales and services	119	0	359	8
Interest on investments	237	6	146	1
Gifts and donations	23	10	17	1
Rentals of facilities	126	0	12	0
Net school generated funds	2,058	7	955	0
Gains on disposals of capital assets	0	0	0	0
Amortization of capital allocations	2,078	0	2,011	0
	63,486	1,695	42,046	1,880
Expense:				
Salaries, wages and benefits	46,262	1,010	28,654	837
Services, contracts and supplies	11,049	484	9,879	914
Net school generated funds	2,058	7	955	0
Amortization	2,472	0	2,576	0
Debt servicing	1,276	0	1,176	0
Losses on disposals of capital assets	8	0	0	0
	63,125	1,501	43,240	1,751
Surplus(Deficit) of revenues over expenses before the following:	361	194	(1,194)	129
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 361	$ 194	$ (1,194)	$ 129
Changes in Financial Position:				
Cash generated by operations	$ 332	$ 2	$ (1,453)	$ 130
Cash generated (used) by investing activities	(7,973)	(123)	13	0
Cash generated by financing activities	163	0	(366)	0
Net sources (uses) of cash equivalents during year	(7,478)	(121)	(1,806)	130
Amount at the beginning of the year	14,729	307	5,879	0
Amount at the end of the year	$ 7,251	$ 186	$ 4,073	$ 130

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Calgary Girls' School Society	Calgary Roman Catholic Sep. School Div. # 1	Calgary School Dist. # 19	Calgary Science School Society
Revenue:				
Alberta Learning	$ 1,152	$ 250,610	$ 579,629	$ 2,470
Alberta Infrastructure	721	32,113	67,401	1,073
Alberta Finance	0	2,704	7,398	0
Other Government of Alberta	0	0	379	0
Federal government and/or First Nations	0	837	1,535	0
Other	0	0	2,298	0
Instruction resource fees	13	413	6,931	252
Transportation fees	59	0	4,577	125
Other sales and services	5	2,764	18,191	10
Interest on investments	1	732	2,229	6
Gifts and donations	7	2	664	6
Rentals of facilities	0	1,787	6,205	6
Net school generated funds	5	2,610	6,723	15
Gains on disposals of capital assets	0	0	3,612	0
Amortization of capital allocations	0	9,469	13,312	0
	1,963	304,041	721,084	3,963
Expense:				
Salaries, wages and benefits	736	235,719	556,750	1,906
Services, contracts and supplies	978	52,984	108,440	1,802
Net school generated funds	5	2,610	6,723	15
Amortization	0	12,045	20,192	0
Debt servicing	0	2,704	7,502	0
Losses on disposals of capital assets	0	5	0	0
	1,719	306,067	699,607	3,723
Surplus(Deficit) of revenues over expenses before the following:	244	(2,026)	21,477	240
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 244	$ (2,026)	$ 21,477	$ 240
Changes in Financial Position:				
Cash generated by operations	$ 363	$ (1,306)	$ 35,950	$ 71
Cash generated (used) by investing activities	(123)	(24,133)	(42,297)	(244)
Cash generated by financing activities	0	4,350	17,423	0
Net sources (uses) of cash equivalents during year	240	(21,089)	11,076	(173)
Amount at the beginning of the year	0	41,504	52,959	433
Amount at the end of the year	$ 240	$ 20,415	$ 64,035	$ 260

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Canadian Rockies Regional Div. # 12	**CAPE-Centre for Academic and Personal Excellence Institute**	**Chinook's Edge School Div. # 73**	**Christ the Redeemer Catholic Sep. Regional Div. # 3**
Revenue:				
Alberta Learning	$ 14,136	$ 880	$ 65,394	$ 31,373
Alberta Infrastructure	1,761	238	6,439	2,740
Alberta Finance	1,273	0	674	582
Other Government of Alberta	8	0	300	238
Federal government and/or First Nations	1,951	0	213	0
Other	0	0	284	86
Instruction resource fees	214	13	878	412
Transportation fees	0	0	1	0
Other sales and services	203	51	221	46
Interest on investments	14	35	218	29
Gifts and donations	42	11	124	34
Rentals of facilities	113	0	111	51
Net school generated funds	93	6	814	651
Gains on disposals of capital assets	0	0	3	5
Amortization of capital allocations	1,015	0	2,634	2,209
	20,823	1,234	78,308	38,456
Expense:				
Salaries, wages and benefits	14,953	804	62,709	26,053
Services, contracts and supplies	3,026	441	12,573	8,116
Net school generated funds	93	6	814	651
Amortization	1,212	7	3,887	3,016
Debt servicing	1,273	2	688	599
Losses on disposals of capital assets	0	0	0	0
	20,557	1,260	80,671	38,435
Surplus(Deficit) of revenues over expenses before the following:	262	(26)	(2,363)	21
Funding used for capital purposes	0	0	731	217
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 262	$ (26)	$ (1,632)	$ 238
Changes in Financial Position:				
Cash generated by operations	$ 784	$ 19	$ (4,246)	$ 177
Cash generated (used) by investing activities	(403)	(18)	(7,428)	(1,561)
Cash generated by financing activities	(90)	6	3,741	764
Net sources (uses) of cash equivalents during year	291	7	(7,933)	(620)
Amount at the beginning of the year	490	7	10,432	1,295
Amount at the end of the year	$ 781	$ 14	$ 2,499	$ 675

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Clearview School Div. # 71	East Central Alberta Catholic Sep. Schools Reg. Div. # 16	East Central Francophone Education Region # 3	Edmonton Catholic Separate School Dist. # 7
Revenue:				
Alberta Learning	$ 18,568	$ 15,286	$ 4,642	$ 179,674
Alberta Infrastructure	2,138	1,256	673	23,048
Alberta Finance	490	134	4	1,221
Other Government of Alberta	231	7	3	103
Federal government and/or First Nations	2	0	19	1,517
Other	98	0	0	153
Instruction resource fees	182	109	25	6,683
Transportation fees	13	9	4	2,299
Other sales and services	385	743	0	4,235
Interest on investments	118	29	7	453
Gifts and donations	142	3	0	72
Rentals of facilities	43	0	0	2,519
Net school generated funds	202	690	26	3,393
Gains on disposals of capital assets	0	24	0	(21)
Amortization of capital allocations	1,013	316	403	3,725
	23,625	18,606	5,806	229,074
Expense:				
Salaries, wages and benefits	17,598	12,868	4,463	174,378
Services, contracts and supplies	4,244	4,164	1,871	50,752
Net school generated funds	202	690	26	3,393
Amortization	1,532	387	432	5,440
Debt servicing	490	134	11	1,221
Losses on disposals of capital assets	0	0	0	0
	24,066	18,243	6,803	235,184
Surplus(Deficit) of revenues over expenses before the following:	(441)	363	(997)	(6,110)
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ (441)	$ 363	$ (997)	$ (6,110)
Changes in Financial Position:				
Cash generated by operations	$ (1,985)	$ 4,579	$ (262)	$ (8,910)
Cash generated (used) by investing activities	(3,225)	(2,930)	(924)	(15,911)
Cash generated by financing activities	993	672	364	5,453
Net sources (uses) of cash equivalents during year	(4,217)	2,321	(822)	(19,368)
Amount at the beginning of the year	7,040	921	4,942	19,078
Amount at the end of the year	$ 2,823	$ 3,242	$ 4,120	$ (290)

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)			
	Edmonton School Dist. # 7	**Elk Island Catholic Sep. Regional Div. # 41**	**Elk Island Public Schools Regional Div. # 14**	**Evergreen Catholic Sep. Regional Div. # 2**
Revenue:				
Alberta Learning	$ 477,901	$ 34,294	$ 97,201	$ 12,217
Alberta Infrastructure	52,300	4,228	10,851	1,714
Alberta Finance	3,790	977	906	518
Other Government of Alberta	2,925	14	270	2
Federal government and/or First Nations	1,670	84	1	28
Other	2,103	0	204	0
Instruction resource fees	2,335	299	862	146
Transportation fees	5,288	82	158	0
Other sales and services	18,761	686	4,594	82
Interest on investments	1,046	122	306	70
Gifts and donations	4,546	32	6	1
Rentals of facilities	2,229	53	147	0
Net school generated funds	4,030	178	778	150
Gains on disposals of capital assets	0	2	0	1
Amortization of capital allocations	11,992	1,655	2,493	1,056
	590,916	42,706	118,777	15,985
Expense:				
Salaries, wages and benefits	457,190	33,299	88,480	11,665
Services, contracts and supplies	96,448	5,944	24,482	2,313
Net school generated funds	4,030	178	778	150
Amortization	25,475	2,086	3,837	1,244
Debt servicing	4,265	983	1,107	513
Losses on disposals of capital assets	29	0	0	29
	587,437	42,490	118,684	15,914
Surplus(Deficit) of revenues over expenses before the following:	3,479	216	93	71
Funding used for capital purposes	6,699	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 10,178	$ 216	$ 93	$ 71
Changes in Financial Position:				
Cash generated by operations	$ 8,176	$ (1,382)	$ (1,397)	$ (2,515)
Cash generated (used) by investing activities	(32,203)	(8,568)	(13,322)	(3,986)
Cash generated by financing activities	8,845	3,252	7,063	1,379
Net sources (uses) of cash equivalents during year	(15,182)	(6,698)	(7,656)	(5,122)
Amount at the beginning of the year	27,596	8,787	14,759	8,304
Amount at the end of the year	$ 12,414	$ 2,089	$ 7,103	$ 3,182

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)			
	FFCA Charter School Society	Foothills School Div. # 38	Fort McMurray Roman Catholic Sep. School Dist. # 32	Fort McMurray School Dist. # 2833
Revenue:				
Alberta Learning	$ 8,350	$ 40,827	$ 27,109	$ 32,400
Alberta Infrastructure	2,410	4,406	2,985	3,525
Alberta Finance	0	781	569	315
Other Government of Alberta	0	169	6	28
Federal government and/or First Nations	0	200	176	529
Other	0	111	0	0
Instruction resource fees	148	543	197	221
Transportation fees	351	16	134	175
Other sales and services	0	233	38	0
Interest on investments	33	61	268	95
Gifts and donations	0	0	142	130
Rentals of facilities	0	57	79	65
Net school generated funds	99	384	101	497
Gains on disposals of capital assets	0	14	0	82
Amortization of capital allocations	0	2,122	1,312	1,655
	11,391	49,924	33,116	39,717
Expense:				
Salaries, wages and benefits	5,923	37,491	24,533	27,931
Services, contracts and supplies	4,638	7,520	5,511	7,858
Net school generated funds	99	384	101	497
Amortization	3	3,703	2,080	1,733
Debt servicing	0	840	569	325
Losses on disposals of capital assets	0	0	0	0
	10,663	49,938	32,794	38,344
Surplus(Deficit) of revenues over expenses before the following:	728	(14)	322	1,373
Funding used for capital purposes	0	0	0	63
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 728	$ (14)	$ 322	$ 1,436
Changes in Financial Position:				
Cash generated by operations	$ 1,333	$ 210	$ (6,431)	$ (2,160)
Cash generated (used) by investing activities	0	(2,595)	(1,190)	(6,566)
Cash generated by financing activities	0	514	8,145	2,026
Net sources (uses) of cash equivalents during year	1,333	(1,871)	524	(6,700)
Amount at the beginning of the year	1,131	7,735	6,620	10,339
Amount at the end of the year	$ 2,464	$ 5,864	$ 7,144	$ 3,639

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Fort Vermilion School Div. # 52	Golden Hills School Div. # 75	Grande Prairie Roman Catholic Sep. School Dist. # 28	Grande Prairie School Dist. # 2357
Revenue:				
Alberta Learning	$ 24,561	$ 39,322	$ 19,683	$ 34,741
Alberta Infrastructure	2,848	4,180	2,364	4,625
Alberta Finance	729	527	855	1,227
Other Government of Alberta	411	259	83	246
Federal government and/or First Nations	3,237	1,710	17	179
Other	141	116	0	458
Instruction resource fees	54	570	133	373
Transportation fees	0	0	10	0
Other sales and services	127	338	48	403
Interest on investments	4	40	49	47
Gifts and donations	0	2	0	84
Rentals of facilities	314	88	37	41
Net school generated funds	72	1,854	16	701
Gains on disposals of capital assets	6	9	1	0
Amortization of capital allocations	2,566	2,514	1,273	2,069
	35,070	51,529	24,569	45,194
Expense:				
Salaries, wages and benefits	24,976	37,986	17,566	32,953
Services, contracts and supplies	6,767	8,944	4,404	7,885
Net school generated funds	72	1,854	16	701
Amortization	3,793	2,898	1,340	2,220
Debt servicing	740	612	855	1,241
Losses on disposals of capital assets	0	0	0	0
	36,348	52,294	24,181	45,000
Surplus(Deficit) of revenues over expenses before the following:	(1,278)	(765)	388	194
Funding used for capital purposes	0	70	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ (1,278)	$ (695)	$ 388	$ 194
Changes in Financial Position:				
Cash generated by operations	$ (596)	$ (1,104)	$ 479	$ (400)
Cash generated (used) by investing activities	(1,998)	(1,105)	(476)	(1,057)
Cash generated by financing activities	3,676	164	87	1,442
Net sources (uses) of cash equivalents during year	1,082	(2,045)	90	(15)
Amount at the beginning of the year	(222)	634	1,434	(524)
Amount at the end of the year	$ 860	$ (1,411)	$ 1,524	$ (539)

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Grande Yellowhead Regional Div. # 35	Grasslands Regional Div. # 6	Greater North Central Francophone Education Region # 2	Greater Southern Public Francophone Education Reg. # 4
Revenue:				
Alberta Learning	$ 37,002	$ 24,299	$ 14,249	$ 4,198
Alberta Infrastructure	3,865	2,951	2,145	786
Alberta Finance	966	681	12	0
Other Government of Alberta	53	102	3	1
Federal government and/or First Nations	17	607	500	9
Other	134	41	125	0
Instruction resource fees	372	289	261	28
Transportation fees	7	0	0	0
Other sales and services	290	187	24	5
Interest on investments	183	135	69	22
Gifts and donations	86	12	8	0
Rentals of facilities	44	121	24	14
Net school generated funds	384	316	179	17
Gains on disposals of capital assets	35	10	0	0
Amortization of capital allocations	1,105	872	1,289	156
	44,543	30,623	18,888	5,236
Expense:				
Salaries, wages and benefits	32,441	23,219	11,190	3,271
Services, contracts and supplies	8,273	5,131	6,057	2,038
Net school generated funds	384	316	179	17
Amortization	1,831	1,227	1,463	158
Debt servicing	969	683	13	0
Losses on disposals of capital assets	10	0	0	0
	43,908	30,576	18,902	5,484
Surplus(Deficit) of revenues over expenses before the following:	635	47	(14)	(248)
Funding used for capital purposes	0	0	0	43
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 635	$ 47	$ (14)	$ (205)
Changes in Financial Position:				
Cash generated by operations	$ 8,249	$ 81	$ (1,718)	$ 463
Cash generated (used) by investing activities	(7,630)	(301)	(894)	(399)
Cash generated by financing activities	2,730	7	1	314
Net sources (uses) of cash equivalents during year	3,349	(213)	(2,611)	378
Amount at the beginning of the year	7,944	5,187	4,944	384
Amount at the end of the year	$ 11,293	$ 4,974	$ 2,333	$ 762

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)			
	Greater Southern Sep. Catholic Francophone Educ. Reg. # 4	**Greater St. Albert Catholic Regional Div. # 29**	**High Prairie School Div. # 48**	**Holy Family Catholic Regional Div. # 37**
Revenue:				
Alberta Learning	$ 5,080	$ 41,135	$ 25,180	$ 14,552
Alberta Infrastructure	502	4,667	2,913	2,056
Alberta Finance	0	1,363	290	640
Other Government of Alberta	2	2,098	49	32
Federal government and/or First Nations	4	207	2,052	1,765
Other	5	0	264	115
Instruction resource fees	4	759	241	81
Transportation fees	6	248	156	0
Other sales and services	0	400	208	84
Interest on investments	12	43	152	139
Gifts and donations	0	19	0	82
Rentals of facilities	1	0	34	23
Net school generated funds	26	206	278	420
Gains on disposals of capital assets	0	8	13	0
Amortization of capital allocations	213	1,548	595	995
	5,855	52,701	32,425	20,984
Expense:				
Salaries, wages and benefits	3,499	38,853	23,133	14,411
Services, contracts and supplies	1,896	10,872	6,715	3,928
Net school generated funds	26	206	278	420
Amortization	288	2,084	1,214	1,327
Debt servicing	0	1,403	302	640
Losses on disposals of capital assets	0	0	0	0
	5,709	53,418	31,642	20,726
Surplus(Deficit) of revenues over expenses before the following:	146	(717)	783	258
Funding used for capital purposes	0	0	0	29
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 146	$ (717)	$ 783	$ 287
Changes in Financial Position:				
Cash generated by operations	$ 268	$ (525)	$ 1,875	$ 80
Cash generated (used) by investing activities	(416)	(1,333)	(276)	(338)
Cash generated by financing activities	18	(145)	252	29
Net sources (uses) of cash equivalents during year	(130)	(2,003)	1,851	(229)
Amount at the beginning of the year	1,049	1,118	5,689	4,905
Amount at the end of the year	$ 919	$ (885)	$ 7,540	$ 4,676

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Holy Spirit Roman Catholic Sep. Regional Div. # 4	Horizon School Div. # 67	Lakeland Roman Catholic Sep. School Dist. # 150	Lethbridge School Dist. # 51
Revenue:				
Alberta Learning	$ 26,910	$ 24,277	$ 13,006	$ 49,329
Alberta Infrastructure	3,368	2,776	1,768	6,387
Alberta Finance	402	128	297	1,037
Other Government of Alberta	0	64	0	473
Federal government and/or First Nations	1,461	0	612	254
Other	0	1	7	0
Instruction resource fees	218	230	50	445
Transportation fees	0	13	0	0
Other sales and services	43	56	26	501
Interest on investments	47	169	105	212
Gifts and donations	0	4	43	0
Rentals of facilities	0	32	0	22
Net school generated funds	711	1,231	409	1,098
Gains on disposals of capital assets	0	16	0	0
Amortization of capital allocations	1,034	431	647	1,628
	34,194	29,428	16,970	61,386
Expense:				
Salaries, wages and benefits	26,142	21,611	12,641	47,839
Services, contracts and supplies	5,974	6,489	3,013	9,233
Net school generated funds	711	1,231	409	1,098
Amortization	1,161	674	765	1,774
Debt servicing	401	128	296	1,037
Losses on disposals of capital assets	0	32	0	0
	34,389	30,165	17,124	60,981
Surplus(Deficit) of revenues over expenses before the following:	(195)	(737)	(154)	405
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ (195)	$ (737)	$ (154)	$ 405
Changes in Financial Position:				
Cash generated by operations	$ (3,017)	$ (1,556)	$ (888)	$ 261
Cash generated (used) by investing activities	(5,724)	(2,239)	(583)	(1,749)
Cash generated by financing activities	2,151	2,039	198	208
Net sources (uses) of cash equivalents during year	(6,590)	(1,756)	(1,273)	(1,280)
Amount at the beginning of the year	6,049	7,901	4,251	8,770
Amount at the end of the year	$ (541)	$ 6,145	$ 2,978	$ 7,490

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)			
	Living Waters Catholic Regional Div. # 42	**Livingstone Range School Div. # 68**	**Medicine Hat Catholic Separate Regional Div. # 20**	**Medicine Hat School Dist. # 76**
Revenue:				
Alberta Learning	$ 14,189	$ 28,321	$ 16,175	$ 37,594
Alberta Infrastructure	1,928	3,126	1,903	4,643
Alberta Finance	546	377	175	562
Other Government of Alberta	31	4	11	232
Federal government and/or First Nations	21	2,161	0	0
Other	0	0	100	170
Instruction resource fees	31	186	164	484
Transportation fees	8	0	0	0
Other sales and services	16	775	46	1,127
Interest on investments	89	20	34	171
Gifts and donations	0	25	4	91
Rentals of facilities	0	53	227	143
Net school generated funds	431	922	608	1,777
Gains on disposals of capital assets	0	68	0	0
Amortization of capital allocations	1,108	1,701	434	1,048
	18,398	37,739	19,881	48,042
Expense:				
Salaries, wages and benefits	12,897	27,210	15,850	36,413
Services, contracts and supplies	3,612	6,957	3,320	7,323
Net school generated funds	431	922	608	1,777
Amortization	1,153	2,156	455	1,317
Debt servicing	554	378	178	623
Losses on disposals of capital assets	0	53	0	0
	18,647	37,676	20,411	47,453
Surplus(Deficit) of revenues over expenses before the following:	(249)	63	(530)	589
Funding used for capital purposes	0	411	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ (249)	$ 474	$ (530)	$ 589
Changes in Financial Position:				
Cash generated by operations	$ 627	$ 306	$ (630)	$ (419)
Cash generated (used) by investing activities	(3,943)	(2,717)	(4,225)	(358)
Cash generated by financing activities	4,056	11	304	(19)
Net sources (uses) of cash equivalents during year	740	(2,400)	(4,551)	(796)
Amount at the beginning of the year	5,780	5,470	4,668	4,890
Amount at the end of the year	$ 6,520	$ 3,070	$ 117	$ 4,094

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Moberly Hall School Society	Mother Earth's Children's Charter School Society	New Horizons Charter School Society	Northern Gateway Regional Div. # 10
Revenue:				
Alberta Learning	$ 567	$ 648	$ 849	$ 36,646
Alberta Infrastructure	269	250	235	4,261
Alberta Finance	3	0	0	856
Other Government of Alberta	0	138	1	87
Federal government and/or First Nations	0	333	0	1,004
Other	1	37	0	27
Instruction resource fees	4	0	17	235
Transportation fees	16	0	0	34
Other sales and services	1	12	0	51
Interest on investments	2	0	6	79
Gifts and donations	1	33	0	32
Rentals of facilities	5	0	5	162
Net school generated funds	0	0	0	1,052
Gains on disposals of capital assets	0	0	0	14
Amortization of capital allocations	0	0	0	1,536
	869	1,451	1,113	46,076
Expense:				
Salaries, wages and benefits	462	751	657	32,461
Services, contracts and supplies	374	659	492	10,308
Net school generated funds	0	0	0	1,052
Amortization	1	4	0	2,426
Debt servicing	0	0	1	913
Losses on disposals of capital assets	1	0	0	8
	838	1,414	1,150	47,168
Surplus(Deficit) of revenues over expenses before the following:	31	37	(37)	(1,092)
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 31	$ 37	$ (37)	$ (1,092)
Changes in Financial Position:				
Cash generated by operations	$ (89)	$ 69	$ 71	$ (301)
Cash generated (used) by investing activities	0	(40)	0	(555)
Cash generated by financing activities	0	0	0	85
Net sources (uses) of cash equivalents during year	(89)	29	71	(771)
Amount at the beginning of the year	257	0	246	1,334
Amount at the end of the year	$ 168	$ 29	$ 317	$ 563

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Northern Lights School Div. # 69	Northland School Div. # 61	Northwest Francophone Education Reg. # 1	Palliser Regional Div. # 26
Revenue:				
Alberta Learning	$ 42,248	$ 22,402	$ 2,980	$ 26,924
Alberta Infrastructure	5,240	2,833	414	2,777
Alberta Finance	1,116	1,476	0	486
Other Government of Alberta	205	160	1	111
Federal government and/or First Nations	2,048	16,565	118	548
Other	40	0	1	21
Instruction resource fees	15	0	13	143
Transportation fees	114	0	0	38
Other sales and services	531	304	16	478
Interest on investments	211	125	6	126
Gifts and donations	31	257	0	23
Rentals of facilities	16	756	0	391
Net school generated funds	552	725	24	321
Gains on disposals of capital assets	31	80	1	47
Amortization of capital allocations	1,534	2,375	180	1,084
	53,932	48,058	3,754	33,518
Expense:				
Salaries, wages and benefits	36,419	32,777	2,414	25,250
Services, contracts and supplies	13,135	12,168	1,197	5,400
Net school generated funds	552	725	24	321
Amortization	2,053	3,367	226	1,774
Debt servicing	1,126	1,487	2	516
Losses on disposals of capital assets	0	6	0	0
	53,285	50,530	3,863	33,261
Surplus(Deficit) of revenues over expenses before the following:	647	(2,472)	(109)	257
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 647	$ (2,472)	$ (109)	$ 257
Changes in Financial Position:				
Cash generated by operations	$ (719)	$ (2,038)	$ (42)	$ 1,732
Cash generated (used) by investing activities	(3,381)	(2,551)	0	(2,319)
Cash generated by financing activities	(18)	1,193	0	2,563
Net sources (uses) of cash equivalents during year	(4,118)	(3,396)	(42)	1,976
Amount at the beginning of the year	14,563	5,244	369	2,177
Amount at the end of the year	$ 10,445	$ 1,848	$ 327	$ 4,153

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Parkland School Div. # 70	Peace River School Div. # 10	Peace Wapiti Regional Div. # 33	Pembina Hills Regional Div. # 7
Revenue:				
Alberta Learning	$ 57,836	$ 25,324	$ 39,374	$ 33,489
Alberta Infrastructure	7,309	2,783	4,271	3,341
Alberta Finance	960	930	1,201	1,345
Other Government of Alberta	150	342	149	0
Federal government and/or First Nations	1,319	67	871	174
Other	83	0	401	25
Instruction resource fees	651	282	472	357
Transportation fees	115	24	0	112
Other sales and services	442	409	293	899
Interest on investments	250	93	266	195
Gifts and donations	0	13	44	3
Rentals of facilities	3	73	226	45
Net school generated funds	402	269	1,051	788
Gains on disposals of capital assets	32	19	89	57
Amortization of capital allocations	1,808	1,589	1,392	896
	71,360	32,217	50,100	41,726
Expense:				
Salaries, wages and benefits	51,214	22,526	36,144	28,783
Services, contracts and supplies	16,600	6,945	9,909	9,578
Net school generated funds	402	269	1,050	788
Amortization	2,140	2,153	2,701	1,345
Debt servicing	960	930	1,201	1,349
Losses on disposals of capital assets	20	5	0	0
	71,336	32,828	51,005	41,843
Surplus(Deficit) of revenues over expenses before the following:	24	(611)	(905)	(117)
Funding used for capital purposes	0	180	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 24	$ (431)	$ (905)	$ (117)
Changes in Financial Position:				
Cash generated by operations	$ 93	$ 469	$ 491	$ (545)
Cash generated (used) by investing activities	(2,152)	(990)	(6,922)	(116)
Cash generated by financing activities	4,438	260	1,294	0
Net sources (uses) of cash equivalents during year	2,379	(261)	(5,137)	(661)
Amount at the beginning of the year	9,072	4,156	9,737	5,496
Amount at the end of the year	$ 11,451	$ 3,895	$ 4,600	$ 4,835

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Prairie Land Regional Div. # 25	Prairie Rose Regional Div. # 8	Red Deer Catholic Regional Div. # 39	Red Deer School Dist. # 104
Revenue:				
Alberta Learning	$ 15,379	$ 29,895	$ 35,152	$ 56,803
Alberta Infrastructure	1,862	3,126	4,422	7,066
Alberta Finance	352	267	562	1,622
Other Government of Alberta	30	287	194	705
Federal government and/or First Nations	13	221	42	0
Other	482	216	186	164
Instruction resource fees	144	200	511	957
Transportation fees	0	20	30	193
Other sales and services	198	32	343	872
Interest on investments	190	80	69	172
Gifts and donations	1	197	0	87
Rentals of facilities	105	135	17	70
Net school generated funds	290	325	289	122
Gains on disposals of capital assets	52	25	4	0
Amortization of capital allocations	793	842	2,115	2,651
	19,891	35,868	43,936	71,484
Expense:				
Salaries, wages and benefits	14,701	24,155	30,440	52,893
Services, contracts and supplies	3,390	9,537	9,064	11,868
Net school generated funds	290	325	289	122
Amortization	1,320	1,212	2,404	3,231
Debt servicing	351	281	600	1,629
Losses on disposals of capital assets	0	0	0	0
	20,052	35,510	42,797	69,743
Surplus(Deficit) of revenues over expenses before the following:	(161)	358	1,139	1,741
Funding used for capital purposes	0	166	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ (161)	$ 524	$ 1,139	$ 1,741
Changes in Financial Position:				
Cash generated by operations	$ (365)	$ (450)	$ (144)	$ 3,118
Cash generated (used) by investing activities	(374)	(1,014)	(5,640)	(17,722)
Cash generated by financing activities	25	508	5,522	935
Net sources (uses) of cash equivalents during year	(714)	(956)	(262)	(13,669)
Amount at the beginning of the year	6,294	3,470	1,522	27,709
Amount at the end of the year	$ 5,580	$ 2,514	$ 1,260	$ 14,040

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Rocky View School Div. # 41	St. Albert Protestant Separate School Dist. # 6	St. Paul Education Regional Div. # 1	St. Thomas Aquinas Roman Catholic Sep. Regional Div. # 38
Revenue:				
Alberta Learning	$ 88,333	$ 36,689	$ 22,377	$ 12,574
Alberta Infrastructure	10,673	4,507	3,592	1,541
Alberta Finance	2,402	1,100	432	560
Other Government of Alberta	30	230	54	12
Federal government and/or First Nations	619	88	7,635	1,126
Other	672	138	0	32
Instruction resource fees	1,732	632	230	106
Transportation fees	750	294	39	14
Other sales and services	932	738	226	14
Interest on investments	462	148	192	61
Gifts and donations	0	8	0	0
Rentals of facilities	412	41	72	4
Net school generated funds	974	42	488	431
Gains on disposals of capital assets	0	0	11	0
Amortization of capital allocations	5,612	1,585	728	749
	113,603	46,240	36,076	17,224
Expense:				
Salaries, wages and benefits	77,829	35,194	27,708	11,875
Services, contracts and supplies	24,421	7,367	6,356	2,801
Net school generated funds	974	42	488	431
Amortization	6,186	2,076	1,172	878
Debt servicing	2,410	1,130	434	560
Losses on disposals of capital assets	0	0	0	0
	111,820	45,809	36,158	16,545
Surplus(Deficit) of revenues over expenses before the following:	1,783	431	(82)	679
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ 1,783	$ 431	$ (82)	$ 679
Changes in Financial Position:				
Cash generated by operations	$ (195)	$ 424	$ (210)	$ 319
Cash generated (used) by investing activities	(1,973)	(562)	(2,485)	(5,942)
Cash generated by financing activities	4,499	51	77	206
Net sources (uses) of cash equivalents during year	2,331	(87)	(2,618)	(5,417)
Amount at the beginning of the year	15,772	4,217	8,463	8,341
Amount at the end of the year	$ 18,103	$ 4,130	$ 5,845	$ 2,924

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Sturgeon School Div. # 24	Suzuki Charter School Society	Westmount Charter School Society	Westwind School Div. # 74
Revenue:				
Alberta Learning	$ 32,269	$ 704	$ 4,939	$ 24,369
Alberta Infrastructure	3,475	195	1,602	3,037
Alberta Finance	405	0	0	702
Other Government of Alberta	202	2	0	97
Federal government and/or First Nations	344	0	0	3,313
Other	0	0	93	153
Instruction resource fees	252	8	191	366
Transportation fees	0	0	99	0
Other sales and services	514	50	53	152
Interest on investments	105	0	15	110
Gifts and donations	0	0	103	2
Rentals of facilities	0	37	3	1
Net school generated funds	68	99	17	218
Gains on disposals of capital assets	16	0	0	0
Amortization of capital allocations	1,461	0	0	778
	39,111	1,095	7,115	33,298
Expense:				
Salaries, wages and benefits	29,664	645	4,071	25,153
Services, contracts and supplies	8,093	339	2,977	5,875
Net school generated funds	68	99	17	218
Amortization	1,798	18	0	1,079
Debt servicing	405	2	0	704
Losses on disposals of capital assets	0	0	0	0
	40,028	1,103	7,065	33,029
Surplus(Deficit) of revenues over expenses before the following:	(917)	(8)	50	269
Funding used for capital purposes	0	0	0	0
Extraordinary item	0	0	0	0
Surplus(Deficit) of revenue over expense	$ (917)	$ (8)	$ 50	$ 269
Changes in Financial Position:				
Cash generated by operations	$ (610)	$ 62	$ (1,214)	$ (785)
Cash generated (used) by investing activities	(662)	(355)	0	(667)
Cash generated by financing activities	69	348	0	323
Net sources (uses) of cash equivalents during year	(1,203)	55	(1,214)	(1,129)
Amount at the beginning of the year	3,526	30	1,513	3,396
Amount at the end of the year	$ 2,323	$ 85	$ 299	$ 2,267

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	Wetaskiwin Regional Div. # 11	Wild Rose School Div. # 66	Wolf Creek School Div. # 72
Revenue:			
Alberta Learning	$ 28,947	$ 35,116	$ 48,464
Alberta Infrastructure	4,081	4,893	5,842
Alberta Finance	841	656	433
Other Government of Alberta	370	52	276
Federal government and/or First Nations	2,634	38	1,714
Other	0	21	278
Instruction resource fees	490	61	766
Transportation fees	10	0	127
Other sales and services	222	238	623
Interest on investments	145	207	422
Gifts and donations	11	100	24
Rentals of facilities	19	22	16
Net school generated funds	842	1,349	170
Gains on disposals of capital assets	0	0	112
Amortization of capital allocations	1,217	1,704	1,489
	39,829	44,457	60,756
Expense:			
Salaries, wages and benefits	29,846	31,187	48,102
Services, contracts and supplies	8,277	7,938	11,855
Net school generated funds	843	1,349	170
Amortization	1,392	2,844	2,232
Debt servicing	853	657	434
Losses on disposals of capital assets	0	5	0
	41,211	43,980	62,793
Surplus(Deficit) of revenues over expenses before the following:	(1,382)	474	(2,037)
Funding used for capital purposes	0	50	0
Extraordinary item	0	0	0
Surplus(Deficit) of revenue over expense	$ (1,382)	$ 524	$ (2,037)
Changes in Financial Position:			
Cash generated by operations	$ (944)	$ 2,943	$ (3,691)
Cash generated (used) by investing activities	(2,923)	(10,400)	(9,617)
Cash generated by financing activities	139	807	730
Net sources (uses) of cash equivalents during year	(3,728)	(6,650)	(12,578)
Amount at the beginning of the year	9,288	15,875	30,192
Amount at the end of the year	$ 5,560	$ 9,225	$ 17,614

SUMMARY OF SCHOOL JURISDICTIONS
STATEMENT OF OPERATIONS AND CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED AUGUST 31, 2004

(in thousands)

	2004 Actual Totals	2004 Budget Totals	2003 Actual Totals (As restated)
Revenue:			
Alberta Learning	$ 3,316,362	$ 3,260,169	$ 3,217,282
Alberta Infrastructure	397,487	375,934	383,148
Alberta Finance	55,612	61,807	64,666
Other Government of Alberta	13,089	5,879	11,390
Federal government and/or First Nations	65,225	57,738	62,827
Other	10,180	8,090	9,564
Instruction resource fees	36,512	32,639	34,777
Transportation fees	16,020	15,912	12,743
Other sales and services	66,443	44,902	61,026
Interest on investments	12,190	8,530	16,072
Gifts and donations	7,494	5,194	7,066
Rentals of facilities	17,504	14,312	15,076
Net school generated funds	49,069	44,229	47,998
Gains on disposals of capital assets	4,684	3,771	13,385
Amortization of capital allocations	119,914	115,333	115,787
	4,187,785	4,054,439	4,072,807
Expense:			
Salaries, wages and benefits	3,121,083	2,994,846	3,035,307
Services, contracts and supplies	774,717	813,430	752,218
Net school generated funds	49,069	44,234	47,998
Amortization	173,085	164,023	165,885
Debt servicing	57,008	62,428	65,976
Losses on disposals of capital assets	323	0	1,837
	4,175,285	4,078,961	4,069,221
Surplus(Deficit) of revenues over expenses before the following:	12,500	(24,522)	3,586
Funding used for capital purposes	9,545	4,431	12,386
Extraordinary item	0	0	26
Surplus(Deficit) of revenue over expense	$ 22,045	$ (20,091)	$ 15,998
Changes in Financial Position:			
Cash generated by operations	$ 20,102		$ (61,798)
Cash generated (used) by investing activities	(297,195)		(330,714)
Cash generated by financing activities	107,959		106,753
Net sources (uses) of cash equivalents during year	$ (169,134)		$ (285,759)
Amount at the beginning of the year	533,627		819,386
Amount at the end of the year	$ 364,493		$ 533,627

Summary of Significant Accounting Policies

School jurisdictions prepare their financial statements in accordance with generally accepted accounting principles for not-for-profit organizations. The following are significant accounting policies followed by these entities:

- Revenues and expenses are recognized on an accrual basis.
- Revenues received for the provision of goods and services are recognized in the period in which the goods are provided or the services rendered.
- Unrestricted contributions are recognized as revenues when received.
- Capital grants are recorded as deferred contributions until the amounts are invested in capital assets.
- Once capital grants are invested in capital assets, the amounts are transferred to unamortized deferred capital contributions. Unamortized deferred capital contributions are recognized as earned revenue in the periods in which the related amortization expense of the funded capital asset is recorded.
- Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred.
- Contributions for capital assets that will not be amortized, such as land and art collections, are recorded as direct increases in net assets in the period the assets are acquired.
- Capital assets are recorded at cost when acquired. Capital assets are amortized based on amortization policies set by School jurisdictions.
- Donated assets are recorded at fair value where fair value is reasonably determined.
- Inventories of merchandise for resale are valued at the lower of cost and net realizable value. Inventories of supplies for consumption are valued at the lower of cost or replacement value.
- Investments are recorded at the lower of cost or market value.

Disclosure of Salaries and Benefits for Superintendent Positions
For the Year Ended August 31, 2004

School Jurisdiction	Remuneration	Benefits & Allowances	Other	Total
Aspen View Regional Division No. 19	$122,500	$10,326	$ 0	$132,826
Battle River Regional Division No. 31	$113,100	$13,990	$ 0	$127,090
Black Gold Regional Division No. 18	$130,971	$ 8,496	$ 0	$139,467
Buffalo Trail Public Schools Regional Division No. 28	$110,000	$ 9,929	$ 0	$119,929
Calgary Roman Catholic Separate School District No. 1	$142,713	$28,307	$ 0	$171,020
Calgary School District No. 19	$184,450	$20,470	$ 0	$204,920
Canadian Rockies Regional Division No. 12	$125,369	$18,871	$ 0	$144,240
Chinook's Edge School Division No. 73	$144,265	$17,975	$ 0	$162,240
Christ the Redeemer Catholic Separate Regional Division No. 3	$114,966	$ 9,504	$ 0	$124,470
Clearview School Division No. 71	$108,166	$ 8,750	$ 0	$116,916
East Central Alberta Catholic Separate Schools Regional Division No. 16	$118,873	$ 8,807	$ 0	$127,680
East Central Francophone Education Region No. 3	$102,500	$ 9,130	$ 0	$111,630
Edmonton Catholic Separate School District No. 7	$162,996	$ 6,044	$ 0	$169,040
Edmonton School District No. 7	$159,956	$ 9,521	$ 0	$169,477
Elk Island Catholic Separate Regional Division No. 41	$120,420	$ 8,176	$ 0	$128,596
Elk Island Public Schools Regional Division No. 14	$152,894	$15,579	$ 0	$168,473
Evergreen Catholic Separate Regional Division No. 2	$115,639	$ 8,513	$ 0	$124,152
Foothills School Division No. 38	$121,866	$ 8,688	$ 0	$130,554
Fort McMurray Roman Catholic Separate School District No. 32	$119,700	$ 5,761	$ 3,447	$128,908
Fort McMurray School District No. 2833	$133,527	$28,295	$ 0	$161,822
Fort Vermilion School Division No. 52	$137,878	$11,114	$ 0	$148,992
Golden Hills School Division No. 75	$118,500	$11,808	$ 0	$130,308
Grande Prairie Roman Catholic Separate School District No. 28	$123,811	$16,871	$33,847	$174,529*
Grande Prairie School District No. 2357	$117,427	$ 9,803	$ 0	$127,230
Grande Yellowhead Regional Division No. 35	$115,000	$11,600	$ 0	$126,600
Grasslands Regional Division No. 6	$115,000	$11,570	$ 0	$126,570
Greater North Central Francophone Education Region No. 2	$150,135	$ 9,677	$ 0	$159,812
Greater Southern Public Francophone Education Region No. 4	$ 68,827	$ 6,863	$ 0	$ 75,690**
Greater Southern Separate Catholic Francophone Education Region No. 4	$119,193	$14,919	$ 6,000	$140,112
Greater St. Albert Catholic Regional Division No. 29	$114,753	$46,854	$ 0	$161,607
High Prairie School Division No. 48	$123,336	$10,072	$ 0	$133,408
Holy Family Catholic Regional Division No. 37	$116,485	$ 9,940	$ 0	$126,425
Holy Spirit Roman Catholic Separate Regional Division No. 4	$134,958	$15,156	$ 0	$150,114
Horizon School Division No. 67	$125,000	$ 7,320	$ 0	$132,320
Lakeland Roman Catholic Separate School Division No. 150	$115,733	$ 7,719	$ 0	$123,452
Lethbridge School District No. 51	$133,500	$11,018	$ 0	$144,518
Living Waters Catholic Regional Division No. 42	$119,898	$ 9,987	$ 0	$129,885
Livingstone Range School Division No. 68	$125,175	$10,513	$ 5,500	$141,188
Medicine Hat Catholic Separate Regional Division No. 20	$132,237	$ 9,772	$ 0	$142,009
Medicine Hat School District No. 76	$128,191	$13,402	$ 0	$141,593
Northern Gateway Regional Division No. 10	$118,600	$ 8,891	$ 0	$127,491

* Included in superintendent's total is a retiring allowance paid during the year.

** Included in superintendent's total is payment for a full-time superintendent for a 7 month period and payment for 4 months of contracted individual shared by another school jurisdiction.

Disclosure of Salaries and Benefits for Superintendent Positions
For the Year Ended August 31, 2004

School Jurisdiction	Remuneration	Benefits & Allowances	Other	Total
Northern Lights School Division No. 69	$139,832	$10,252	$ 0	$150,084
Northland School Division No. 61	$122,400	$21,728	$ 0	$144,128
Northwest Francophone Education Region No. 1	$ 91,443	$ 7,760	$ 0	$ 99,203
Palliser Regional Division No. 26	$128,158	$ 7,364	$ 0	$135,522
Parkland School Division No. 70	$136,566	$10,532	$ 0	$147,098
Peace River School Division No. 10	$121,004	$ 9,562	$ 0	$130,566
Peace Wapiti School Division No. 76	$119,489	$ 9,977	$ 0	$129,466
Pembina Hills Regional Division No. 7	$122,500	$ 8,651	$ 0	$131,151
Prairie Land Regional Division No. 25	$106,821	$ 9,639	$ 0	$116,460
Prairie Rose Regional Division No. 8	$115,123	$ 3,793	$ 0	$118,916
Red Deer Catholic Regional Division No. 39	$134,288	$ 9,906	$ 0	$144,194
Red Deer School District No. 104	$127,266	$ 8,836	$ 0	$136,102
Rocky View School Division No. 41	$138,276	$20,352	$ 0	$158,628
St. Albert Protestant Separate School District No. 6	$120,448	$ 8,502	$ 0	$128,950
St. Paul Education Regional Division No. 1	$111,739	$ 8,458	$ 0	$120,197
St. Thomas Aquinas Roman Catholic Separate Regional Division No. 38	$115,000	$ 9,912	$ 0	$124,912
Sturgeon School Division No. 24	$121,000	$ 6,020	$ 0	$127,020
Westwind School Division No. 74	$112,000	$ 9,549	$ 0	$121,549
Wetaskiwin Regional Division No. 11	$118,233	$20,541	$ 0	$138,774
Wild Rose School Division No. 66	$119,337	$ 9,120	$ 0	$128,457
Wolf Creek School Division No. 72	$122,400	$12,313	$ 0	$134,713

Footnotes:

1. This information is taken from the Audited Financial Statements submitted to Alberta Education by the School Jurisdictions.

2. *Remuneration* includes regular base salaries, administrative allowances, overtime, lump sum payments, honoraria, deferred salary leave accruals and any other direct cash remuneration.

3. *Benefits* include the employer's share of all employee benefits and contributions or payments made on behalf of employees. This includes retirement pension, Canada Pension Plan (CPP), Employment Insurance (EI), health care, dental coverage, vision coverage, out-of-country medical benefits, group life insurance, accidental disability and dismemberment insurance, and long- and short-term disability plans.

4. *Allowances* include all monies paid to an employee as miscellaneous negotiated allowances. This category will include car or travel allowance, isolation allowances, relocation expenses, sabbaticals, special leave with pay, financial and retirement planning services and club memberships.

5. *Other* includes payments made for such things as performance bonuses, accrued vacations and termination benefits (severance pay, retiring allowances, sick leave and other settlement costs due to loss of employment).

9. Other Information

Audited Information

ALBERTA TEACHERS' RETIREMENT FUND BOARD

TEACHERS' PENSION PLAN AND PRIVATE SCHOOL TEACHERS' PENSION PLAN

FINANCIAL STATEMENTS

AUGUST 31, 2004

Auditor's Report

Statement of Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency

Statement of Changes in Net Assets Available for Benefits

Statement of Changes in Accrued Pension Benefits

Notes to the Financial Statements

AUDITOR
GENERAL
Alberta

Auditor's Report

To the Alberta Teachers' Retirement Fund Board

I have audited the Statement of Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency of the Alberta Teachers' Retirement Fund Board (the "Board") as at August 31, 2004 and the Statements of Changes in Net Assets Available for Benefits and Changes in Accrued Pension Benefits for the year then ended. These financial statements are the responsibility of the Board's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the Net Assets Available for Benefits and Accrued Pension Benefits and Deficiency of the Board as at August 31, 2004 and the Changes in Net Assets Available for Benefits and Changes in Accrued Pension Benefits for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J Dunn FCA
Auditor General

Edmonton, Alberta
November 30, 2004

ALBERTA TEACHERS' RETIREMENT FUND BOARD
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AND ACCRUED PENSION BENEFITS AND DEFICIENCY
AS AT AUGUST 31, 2004

	(in thousands)	
	2004	2003
Assets		
Cash	$ 2,104	$ 746
Investments (Note 4)	2,856,941	2,458,451
Receivables (Note 5)	30,943	18,960
Capital assets (Note 6)	1,253	1,124
	2,891,241	2,479,281
Liabilities		
Accounts payable (Note 7)	30,538	10,751
Net assets available for benefits	2,860,703	2,468,530
Adjustment for fluctuation in fair value of net assets (Note 3c)	129,403	239,163
Actuarial Value of Net Assets Available for Benefits	2,990,106	2,707,693
Actuarial Value of Accrued Pension Benefits	9,681,624	8,703,159
Deficiency (Note 11)	$ 6,691,518	$ 5,995,466

The accompanying notes are part of these financial statements.

ALBERTA TEACHERS' RETIREMENT FUND BOARD
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)	
	2004	2003
Increase in Net Assets		
Investment income (Note 8)	$ 73,616	$ 63,356
Change in fair value of investments (Note 8)	214,254	99,595
Contributions (Note 9)		
Teachers	218,659	140,157
Province of Alberta	266,786	303,384
Employers	430	387
Past service purchases	3,126	2,556
Transfers from other plans	7,215	5,455
	496,216	451,939
Total increase in net assets	784,086	614,890
Decrease in Net Assets		
Pension benefits	367,548	342,679
Termination benefits	11,331	10,490
Transfers to other plans	3,797	4,964
Administrative expenses (Note 10)	9,237	8,472
Total decrease in net assets	391,913	366,605
Change in Net Assets for the Year	392,173	248,285
Net Assets Available for Benefits at Beginning of Year	2,468,530	2,220,245
Net Assets Available for Benefits at End of Year	$ 2,860,703	$ 2,468,530

ALBERTA TEACHERS' RETIREMENT FUND BOARD
STATEMENT OF CHANGES IN ACCRUED PENSION BENEFITS
FOR THE YEAR ENDED AUGUST 31, 2004

	(in thousands)	
	2004	2003
Accrued Pension Benefits at Beginning of Year	$ 8,703,159	$ 8,189,100
Increase in Accrued Pension Benefits		
Interest on accrued benefits	649,815	608,709
Benefits accrued	295,140	255,099
Changes in actuarial economic assumptions	319,851	-
Experience gains	85,992	-
	1,350,798	863,808
Decrease in Accrued Pension Benefits		
Benefits paid	(372,333)	(349,749)
Accrued Pension Benefits at End of Year	$ 9,681,624	$ 8,703,159

ALBERTA TEACHERS' RETIREMENT FUND BOARD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2004

NOTE 1 AUTHORITY AND NATURE OF OPERATIONS

The Alberta Teachers' Retirement Fund Board, a Provincial corporation, is the trustee and administrator of the Teachers' Pension Plan and the Private School Teachers' Pension Plan (the "Plans"). The Alberta Teachers' Retirement Fund Board operates under the authority of the Teachers' Pension Plans Act, Chapter T-1.5.

The Plans are Registered Pension Plans as defined in the Income Tax Act and are not subject to income taxes. The income tax registration number is 0359125.

NOTE 2 DESCRIPTION OF THE PENSION PLANS

The following description of the Plans is a summary only.

a) General

The Plans are contributory defined-benefit pension plans for the teachers of Alberta.

b) Guarantee

The payment of all benefits for service prior to September 1, 1992 under the Teachers' Pension Plan is guaranteed by the Province of Alberta (the "Province").

c) Funding

The determination of the value of the benefits and the required contributions for the Plans is made on the basis of periodic actuarial valuations (Note 11).

All teachers under contract with school jurisdictions and charter schools in Alberta are required to contribute to the Teachers' Pension Plan. Current service costs and related deficiencies are funded by equal contributions from the Province and the teachers. An additional 10 percent cost-of-living adjustment for service earned after 1992, as described in Note 2(i), is funded entirely by the teachers.

NOTE 2 DESCRIPTION OF PENSION PLANS (CONTINUED)

The unfunded liability for service credited prior to September 1, 1992 is being funded by additional contributions in the proportions of 67.35 percent by the Province and 32.65 percent by the teachers over the period ending August 31, 2060. In accordance with an agreement reached on April 18, 2002 between the plan sponsors, the Province paid 100 percent of these additional contributions relating to the 2002-03 fiscal year.

Certain public colleges and other designated organizations in Alberta also participate in the Teachers' Pension Plan under the same funding arrangements, except these organizations make the employer contributions rather than the Province.

Certain private schools participate in the Private School Teachers' Pension Plan. Plan costs are funded by contributions from the employers and the teachers.

d) Retirement Pensions

Retirement pensions are based on the number of years of pensionable service and the highest consecutive five-year average salary. Pensions are payable to teachers who retire after completion of at least five years of pensionable service, with certain restrictions, and who have attained age 65. Unreduced pensions are also payable to teachers who have reached at least age 55 and the sum of their age and service equals 85. With certain restrictions, reduced early retirement pensions are payable to teachers who retire on or after age 55 with a minimum of five years of pensionable service.

e) Disability Benefits

Teachers who are disabled after August 31, 1992 are credited with pensionable service while disabled. Teachers do not contribute to the Plans while disabled.

f) Termination Benefits

Subject to lock-in provisions, refunds and commuted value transfers are available when a teacher ceases employment.

g) Death Benefits

Death benefits are available upon the death of a teacher and may be available upon the death of a pensioner. The benefit may take the form of a lump sum payment or a survivor pension.

NOTE 2 DESCRIPTION OF THE PENSION PLANS (CONTINUED)

h) Other Provisions

Purchase of past service and reinstatement of refunded service is allowed on a basis that is cost neutral to the Plans.

i) Cost-of-Living Adjustments

Pensions payable are increased each year by an amount equal to 60 percent of the increase in the Alberta Consumer Price Index. The portion of pension earned after 1992 is increased by an additional 10 percent of the increase in the Alberta Consumer Price Index.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

a) Basis of Presentation

The financial statements are prepared on a going-concern basis in accordance with Canadian generally accepted accounting principles and present the aggregate financial position of the Plans. The statements disclose the net assets available to meet future benefit payments, and are prepared to assist participants and others in reviewing the activities of the Plans for the fiscal year. They do not reflect the benefit security of individual participants.

b) Investments

Investments are recorded as of the trade date and are stated at market value, which approximates fair value. The methods used to determine year-end fair value are explained in the following paragraphs.

- Money-Market Securities are recorded at cost which approximates fair value.
- The fair value of publicly traded securities is based on market prices quoted by independent suppliers of securities related data.
- Fair value of real estate, oil and gas properties, and private placements, not publicly traded, is based on estimates as determined by management in conjunction with industry specialists.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

Premiums and discounts arising on acquisitions are amortized using the effective interest rate method and included in investment income. Changes in fair value subsequent to acquisition are included in change in fair value of investments (Note 8).

c) Actuarial Value of Net Assets Available for Benefits

To moderate the effects of market volatility on investment values, the actuarial value of net assets available for benefits is determined by averaging projected net assets available for benefits over a five-year period. A constraint limits the actuarial value of net assets available for benefits to be no less than 90% and no greater than 110% of the net assets available for benefits. This calculation results in the adjustment for fluctuation in fair value of net assets.

d) Foreign Exchange

Foreign currency transactions are translated into Canadian dollars at rates of exchange prevailing at the dates of the transactions. At year end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year-end exchange rate. Gains or losses resulting from exchange differences are included in the determination of the change in fair value of investments.

e) Derivative Financial Instruments

Gains or losses on forward foreign exchange contracts are recognized with changes in market value, and are included in the determination of current year change in fair value of investments.

(f) Capital Assets

Capital assets are recorded at cost and amortized over their estimated useful lives. Amortization is calculated using the straight-line method at the following annual rates:

Furniture and equipment	10-25%
Computer hardware and software	20-33.3%

Software under development is not amortized until implemented.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

g) Measurement Uncertainty

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from these estimates.

NOTE 4 INVESTMENTS

	(in thousands)			
	2004		2003	
	Fair Value	Cost	Fair Value	Cost
Fixed Income and Cash				
Cash	$ 13,568	$ 13,568	$ 6,052	$ 6,052
Money-Market Securities	94,759	94,759	31,964	31,964
Bonds and debentures	543,068	520,503	455,921	429,835
Real return bonds	187,602	145,713	169,744	152,081
	838,997	774,543	663,681	619,932
Equities				
Canadian equities	795,130	634,479	707,788	585,281
International equities	538,377	509,873	475,768	498,354
US equity pooled funds	681,469	646,304	608,518	631,629
Real estate and other assets	2,968	3,551	2,696	3,591
	2,017,944	1,794,207	1,794,770	1,718,855
	$ 2,856,941	$ 2,568,750	$ 2,458,451	$ 2,338,787

a) US Equity Pooled Funds

The Plans' US equity investments are held through ownership of units in two pooled funds each managed using a passive strategy with the objective of replicating the return of the *Standard & Poor's 500 United States Equity Index*. One fund invests directly in the US equity market and as at August 31, 2004, the Plans' proportionate interest in this pool had a fair value of $176,101,000 (2003: $166,618,000). The other fund invests in stock index futures contracts and Canadian dollar short-term fixed income investments.

NOTE 4 INVESTMENTS (CONTINUED)

As at August 31, 2004, the Plans' proportionate interest in this pool had a fair value of $505,368,000 (2003: $441,900,000). A stock index futures contract is an agreement to take or make a delivery of an amount of cash equal to the difference between changes in the level of the stock index over a specified period.

b) Interest Rate Risk

Interest rate risk relates to the impact of interest rate changes on the Plans' cash flows and financial position. This risk arises from differences in the timing and amount of cash flows related to the Plans' assets and liabilities.

As at August 31, 2004, a 1% increase in nominal interest rates would result in a decline in the fair value of Fixed Income investments of 7.9% (2003: 8.6%). Excluding the impact of real return bonds, the decline in fair value would be 4.7% (2003: 5.3%).

Based on fair values at August 31, 2004, Fixed Income investments have the following average effective yields and term structures:

(dollar amounts in thousands)

	2004					2003	
	Terms of Maturity						
	Within 1 Year	1 to 5 Years	Over 5 Years	Total	Average Effective Yield	Total	Average Effective Yield
Money-Market Securities	$ 94,759	$ -	$ -	$ 94,759	2.03%	$ 31,964	2.87%
Bonds and debentures	10,174	265,992	266,902	543,068	4.71%	455,921	4.98%
Real return bonds	-	-	187,602	187,602	1.48%	169,744	2.49%

c) Investments with the Province of Alberta

Investments include bonds issued by the Province of Alberta of nil (2003: $5,442,430).

d) Credit Risk

Credit risk arises from the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract.

The Plans limit their credit risk by dealing with counter parties that are considered to be of high quality, setting and monitoring compliance with portfolio guidelines, diversification and obtaining collateral where appropriate.

NOTE 4 INVESTMENTS (CONTINUED)

The Plans record all investments at fair value. Consequently, investment values reflected in Note 4 of these financial statements represent the maximum credit risk exposure of the Plans as at August 31, 2004.

e) Currency Risk

Currency risk arises from the Plans' holding of equities that are denominated in foreign currencies. A portion of the currency exposure may be hedged by foreign currency forwards. Foreign currency forwards are contractual obligations either to buy or sell a specified amount of foreign currencies at predetermined future dates and exchange rates.

The Plans' foreign currency exposure is as follows:

(in thousands)

	2004			2003
	Foreign Currency Exposure	Foreign Currency Hedge	Net Foreign Currency Exposure	Net Foreign Currency Exposure
United States	$ 725,417	$ -	$ 725,417	$ 647,793
Euro	178,139	-	178,139	183,813
United Kingdom	123,335	28,296	95,039	90,829
Japan	82,183	-	82,183	63,061
Switzerland	48,955	-	48,955	45,588
Australia	9,587	-	9,587	12,039
Other	65,789	-	65,789	47,834
	$ 1,233,405	$ 28,296	$ 1,205,109	$ 1,090,957

Foreign currency exposure includes $13,559,000 (2003: $6,671,000) in cash.

NOTE 5 RECEIVABLES

(in thousands)

	2004	2003
Accrued income	$ 13,187	$ 11,327
Amounts due from pending trades	7,435	205
Contributions - teachers	10,186	7,288
Other	135	140
	$ 30,943	$ 18,960

NOTE 6 CAPITAL ASSETS

	(in thousands)			
	2004			2003
	Cost	Accumulated Amortization	Net	Net
Furniture and equipment	$ 372	$ 333	$ 39	$ 64
Computer hardware and software	4,478	3,264	1,214	931
Software under development	-	-	-	129
	$ 4,850	$ 3,597	$ 1,253	$ 1,124

NOTE 7 ACCOUNTS PAYABLE

	(in thousands)	
	2004	2003
Tax withholdings	$ 4,912	$ 4,563
Contributions - Province of Alberta	2,229	3,326
Amounts payable from pending trades	20,987	692
Other investment transactions	1,096	927
Miscellaneous	1,314	1,243
	$ 30,538	$ 10,751

NOTE 8 INVESTMENT INCOME

	(in thousands)	
	2004	2003
Interest income		
Cash and money-market securities	$ 2,127	$ 1,640
Bonds and debentures	27,141	24,974
Real return bonds	11,625	10,323
Mortgages	-	157
Dividend income		
Canadian equities	14,936	14,126
International equities	17,460	11,699
Real estate and other assets	327	437
	$ 73,616	$ 63,356

NOTE 8 INVESTMENT INCOME (CON'T)

Investment income includes interest of $375,000 (2003: $375,000) earned on bonds issued by the Province of Alberta.

The change in fair value of investments, of a net gain of $214,254,000, includes a realized net gain on disposal of investments of $45,727,000 (2003: net loss of $123,655,000) and an unrealized net gain of $168,527,000 (2003: net gain of $223,250,000).

NOTE 9 CONTRIBUTIONS (NOTE 2c)

	(in thousands)	
	2004	2003
Teachers		
Current service	$ 131,253	$ 129,792
Current Service Additional 10% COLA	9,619	10,365
Post-August 1992 deficiency	18,123	-
Pre-September 1992 unfunded liability	59,664	-
	$ 218,659	$ 140,157
Province of Alberta		
Current service	$ 128,883	$ 124,465
Post-August 1992 deficiency	16,637	-
Pre-September 1992 unfunded liability	121,266	178,919
	$ 266,786	$ 303,384
Employers		
Current service	$ 383	$ 328
Post-August 1992 deficiency	6	-
Pre-September 1992 unfunded liability	41	59
	$ 430	$ 387

NOTE 10 ADMINISTRATIVE EXPENSES

	(in thousands)		
	2004		2003
	Budget	Actual	Actual
External investment management fees	$ 3,392	$ 3,780	$ 3,177
Salaries and benefits (Note 13)	3,189	2,955	2,855
Premises and equipment	907	860	834
External professional services	592	545	533
Communication	629	502	461
Custodial and banking charges	519	461	485
Audit fees	56	66	49
Board and Investment Committee	62	44	53
Other	30	24	25
	$ 9,376	$ 9,237	$ 8,472

NOTE 11 OBLIGATIONS FOR BENEFITS

a) Valuations and Assumptions

Actuarial valuations of the Plans were done as at August 31, 2004. Extrapolations were prepared for reporting purposes as at August 31, 2003. The present value of accrued benefits was determined using the projected benefit method prorated on service. The assumptions used in the valuations and extrapolations are based on management's best estimate of future events.

The major long-term economic assumptions used in the current year actuarial valuations and the 2003 extrapolations are:

	2004	2003
Rate of return on invested assets	7.25%	7.50%
Rate of inflation	3.00%	3.00%
Real wage increases	1.00%	1.00%
Teacher population growth	0.25%	0.75%

Future experience will differ from those assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future actuarial valuations.

NOTE 11 OBLIGATIONS FOR BENEFITS (CONTINUED)

b) Sensitivity of Changes in Major Assumptions

As at August 31, 2004, a 0.25% decrease in population growth rate under the Teachers' Pension Plan, holding all other assumptions constant, would increase the amount of contributions required to fund the unfunded liability attributable to service credited prior to September 1992 by 0.51% of total teacher salaries. No change would occur to the value of accrued pension benefits. The amount of contributions required to fund the deficiency attributable to service credited after August 1992 would increase by 0.04%.

As at August 31, 2004, a 0.50% decrease in the rate of return on invested assets and in the real rate of return under the Teachers' Pension Plan, holding all other assumptions constant, would increase the amount of contributions, expressed as a percentage of total teacher salaries, required to fund:

i) current service costs by 1.46%,
ii) the unfunded liability attributable to service credited prior to September 1992 by 0.57%, and
iii) the deficiency attributable to service credited after August 1992 by 1.40%.

The accrued pension benefits would increase approximately $688 million.

c) Results Based on Valuations

The valuation for the Teachers' Pension Plan to August 31, 2004 determined an unfunded liability of $6.030 billion, attributable to service credited prior to September 1992 and a $662.0 million deficiency attributable to service after August 1992. The unfunded liability and deficiency are being funded as described in Note 2c.

The valuation for the Private School Teachers' Pension Plan to August 31, 2004 determined a surplus of $0.482 million.

NOTE 11 OBLIGATIONS FOR BENEFITS (CONTINUED)

(in thousands)

	2004				2003
	Teachers' Pension Plan		Private School		
	Pre -Sept. 1992	Post-Aug. 1992	Teachers' Pension Plan	Total	Total
Net assets at beginning of year	$ (82,125)	$ 2,527,943	$ 22,712	$ 2,468,530	$ 2,220,245
Net contributions	175,642	305,076	562	481,280	436,485
Benefits	(310,572)	(56,240)	(928)	(367,740)	(342,679)
Investment earnings	-	285,293	2,577	287,870	162,951
Administrative expenses	-	(9,155)	(82)	(9,237)	(8,472)
Net assets (liabilities)	(217,055)	3,052,917	24,841	2,860,703	2,468,530
Interest on net liabilities	(10,945)	10,945	-	-	-
Adjustment for fluctuation in asset value	-	128,138	1,265	129,403	239,163
Actuarial value of accrued benefits	(5,802,000)	(3,854,000)	(25,624)	(9,681,624)	(8,703,159)
(Deficiency)/surplus	$ (6,030,000)	$ (662,000)	$ 482	$ (6,691,518)	$ (5,995,466)

d) Post-fund Receivable from Pre-fund

The net assets available for benefits related to the Teacher's Pension Plan are segregated into pre-September 1992 and post-August 1992 funds. All disbursements and receipts since September 1992 have been charged or credited to the appropriate fund.

During the 2002-2003 year, assets available to the pre-September 1992 fund were depleted. In accordance with legislation, each month since that time, assets have been advanced from the post-August 1992 fund to the pre-September 1992 fund to enable it to meet its ongoing commitments.

A rate of interest equal to the assumed rate of return on invested assets was used to charge interest on amounts advanced.

(in thousands)

	2004	2003
Opening balance	$ 82,125	$ -
Advances during the year	135,122	80,992
Interest on advances	10,945	1,133
Receivable from Pre-fund	$ 228,192	$ 82,125

NOTE 12 INVESTMENT PERFORMANCE

The following is a summary of the investment performance results attained by the Alberta Teachers' Retirement Fund Board:

	One-Year Return	Five-Year Average Annual Compound Rate
Alberta Teachers' Retirement Fund Board	11.5%	5.4%
Benchmark (1)	11.3%	3.7%

(1) The benchmark return is a weighted average of certain market index returns, approved by the Board, based on the fund's policy asset mix.

The long-term real rate of return assumption is based on management's best estimate of future events. This long-term rate of return target was set at 3.5 percent over inflation for the year ended August 31, 1993, 4 percent over inflation for the four years ended August 31, 1997 and 4.5 percent over inflation since September 1, 1997. Over the twelve-year period since September 1, 1992, the Fund's average annual compound rate of return was 8.3 percent, compared to the long-term target of 6.5 percent.

NOTE 13 REMUNERATION AND COMPENSATION

a) Board Member Remuneraton

Board members who are not employed by the Province of Alberta or by an employer participating in the plans are paid fees for all Board and committee meetings attended. For the year ended August 31, 2004 the Board Chair received remuneration of nil (2003: $7,000). One other Board member received remuneration of $8,300 (2003: $8,000).

NOTE 13 REMUNERATION AND COMPENSATION (CONTINUED)

b) Senior Staff Compensation

	2004				2003
	Base Salary	Bonus [(1)]	Benefits & Allowances [(2)]	Total	Total
Executive Director	$ 168,000	$ 48,000	$ 32,000	$ 248,000	$ 230,000
Director of Investments	155,000	65,000	28,000	248,000	233,000
Portfolio Manager, Equities	147,000	107,000	21,000	275,000	225,000
Portfolio Manager, Bonds	126,000	14,000	16,000	156,000	164,000
Senior Investment Analyst	98,000	28,000	16,000	142,000	132,000

(1) Senior staff are eligible to receive bonuses based on the achievement of pre-set corporate and investment targets established by the Board. Bonuses for investment professionals are based on a combination of total fund and portfolio performance targets, measured in value added above benchmarks. Performance versus benchmark is measured over five-year and one-year performance periods.

(2) Benefits and Allowances includes the employer's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, vision coverage, group life insurance, long-term disability plan, professional memberships and tuitions, and car allowances.

NOTE 14 BUDGET INFORMATION

The accrued pension benefits are based on management's best estimates of future events after consultation with the Plans' actuary. Differences between actual results and management's expectations are disclosed as net experience gains in the statement of changes in accrued pension benefits. Accordingly, a budget is not included in these financial statements, with the exception of administrative expenses (Note 10).

Unaudited Information

MINISTRY OF EDUCATION
STATEMENT OF REMISSIONS, COMPROMISES AND WRITE-OFFS
FOR THE YEAR ENDED MARCH 31, 2005

The following statement has been prepared pursuant to Section 23 of the Financial Administration Act. This statement includes all remissions, compromises and write-offs made or approved during the fiscal period.

	(in thousands)
Remissions under Section 21 of the Financial Administration Act:	
Total remissions	$ 0
Compromises under Section 22 of the Financial Administration Act:	
Total compromises	$ 0
Write-offs	
Implemented Guarantees, Indemnities, Loans and Advances Student Loan Act	$ 0
Department Accounts Receivable	$ 50
Total write-offs	$ 50
Total remissions, compromises and write-offs	$ 50

Government Organization Changes 2004 - 2005

Ministry	Program/Entity Changes	Previous Location
Advanced Education (formerly part of Learning)	< Support for Adult Learning	< Former Learning
	< Public Post Secondary Institutions	
	< Standing Policy Committee on Education and Employment	
Education (formerly part of Learning)	< Support for Basic Learning	< Former Learning
	< Alberta School Foundation Fund	
	< Alberta Teachers' Retirement Fund Board	
	< School Boards	
Human Resources and Employment	< Immigration	< Former Learning
Infrastructure and Transportation (merger of Infrastructure and Transportation)	< Standing Policy Committee on Agriculture and Municipal Affairs	< Agriculture, Food and Rural Development
Restructuring and Government Efficiency (new)	< Alberta Corporate Service Centre	< Government Services
	< Office of the Corporate Chief Information Officer	< Innovation and Science
Seniors and Community Supports (formerly Seniors)	< Assured Income for the Severely Handicapped	< Human Resources and Employment
	< Community Support Systems	< Community Development
	< Persons with Developmental Disabilities Community Boards: Calgary Region Community Board Central Region Community Board Edmonton Region Community Board Northeast Region Community Board Northwest Region Community Board South Region Community Board	
	< Persons with Developmental Disabilities Provincial Board	

OTHER MERGED MINISTRIES

Finance (merger of Finance and Revenue)

10. Alphabetical List Of Entities' Financial Statements In Ministry 2004-05 Annual Reports

Entities Included in the Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Agriculture Financial Services Corporation[1]	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Capital Finance Authority	Finance
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Finance
Alberta Heritage Savings Trust Fund	Finance
Alberta Heritage Scholarship Fund	Finance
Alberta Heritage Science and Engineering Research Endowment Fund	Finance
Alberta Historical Resources Foundation	Community Development
Alberta Insurance Council	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Finance
Alberta School Foundation Fund	Education
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Finance
Alberta Social Housing Corporation	Seniors and Community Supports
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta[1]	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Education	Education
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness

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[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2003.

Entities Included in the Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Department of Innovation and Science	Innovation and Science
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc.	Innovation and Science
Lottery Fund	Gaming
Ministry of Advanced Education[2]	Advanced Education
Ministry of Aboriginal Affairs and Northern Development[2]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[2]	Economic Development
Ministry of Education	Education
Ministry of Energy	Energy
Ministry of Environment[2]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[2]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[2]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[2]	Human Resources and Employment
Ministry of Infrastructure and Transportation[2]	Infrastructure and Transportation
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[2]	International and Intergovernmental Relations
Ministry of Justice[2]	Justice
Ministry of Municipal Affairs[2]	Municipal Affairs
Ministry of Restructuring and Government Efficiency[2]	Restructuring and Government Efficiency
Ministry of Seniors and Community Supports	Seniors and Community Supports
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Community Boards:	Seniors and Community Supports
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
South Region Community Board	
Persons with Developmental Disabilities Provincial Board	Seniors and Community Supports
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General

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[2] Ministry includes only the departments so separate department financial statements are not necessary.

Entities Included in the Consolidated Government Reporting Entity

Ministry, Department, Fund or Agency	*Ministry Annual Report*
Wild Rose Foundation	Community Development

Entities Not Included in the Consolidated Government Reporting Entity

Fund or Agency	*Ministry Annual Report*
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Provincial Judges and Masters in Chambers (Unregistered) Pension Plan	Finance
Public Post Secondary Institutions	Advanced Education
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Education
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment